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AGRICULTURE, RURAL DEVELOPMENT, AND RELATED
AGENCIES APPROPRIATION BILL, 1991

SEPTEMBER 19 (legislative day SEPTEMBER 10), 1990.—Ordered to be printed

Mr. BURDICK, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H.R. 5268]

The Committee on Appropriations, to which was referred the bill (H.R. 5268) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

TOTAL OBLIGATIONAL AUTHORITY, FISCAL YEAR 1991

Amount of bill as passed by the House.....	\$50,351,228,000
Amount of change by Senate Committee	1,913,564,000
Amount of bill as reported to Senate.....	52,264,792,000
Amount of 1990 appropriations acts to date	45,175,823,000
Amount of estimates, 1991.....	52,748,096,000
The bill as reported to the Senate:	
Over the appropriations provided in 1990	7,088,969,000
Under the estimates for 1991	483,304,000
Over the House bill	1,913,564,000

BREAKDOWN BY TITLE

The amounts of obligational authority for each of the five titles are shown in the following table. A detailed tabulation, showing comparisons, appears at the end of this report. Recommendations for individual appropriation items, projects and activities are carried in this report under the appropriate item headings.

	1990	1991 Committee recommendation
Title I: Agricultural programs.....	\$7,192,975,000	\$8,494,548,000
Title II: Rural development and assistance programs.....	11,644,349,000	14,196,131,000
Title III: Domestic food programs.....	24,521,792,000	27,616,620,000
Title IV: International programs.....	1,086,480,000	1,124,419,000
Title V: Related agencies.....	730,227,000	833,074,000
Total, new budget (obligational) authority	45,175,823,000	52,264,792,000

COMPLIANCE WITH SECTION 308 OF THE BUDGET CONTROL ACT

Section 308(a) of the Budget Control Act (Public Law 93-344) requires that this Committee include in its report specific budgetary information on the status of recommended appropriations relative to the First Concurrent Resolution. The following table provides these data:

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1991: Subcommittee on Agriculture, Rural Development, and Related Agencies	50,874	¹ 52,690	34,563	² 34,419
Projections of outlays associated with budget authority recommended in the bill:				
1991.....				³ 30,420
1992.....				7,438
1993.....				566
1994.....				171
1995 and future year				264
Financial assistance to State and local governments for 1991 in the bill		12,262		9,793
	Direct loans		Loan guarantees	
Credit authority estimates, fiscal year 1991	NA	6,196	NA	1,508

¹ Includes permanent.

² Includes outlays from prior-year budget authority.

³ Excludes outlays from prior-year budget authority.

NA—Not applicable.

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OVERVIEW AND SUMMARY OF THE BILL

The Rural Development, Agriculture, and Related Agencies appropriations bill provides funding for a wide array of Federal programs, mostly in the U.S. Department of Agriculture [USDA]. These programs include agricultural research and extension activities, a variety of conservation programs, farm income and commodity price support programs, a number of marketing and inspection activities, several domestic food programs, and the various export and international activities of USDA. The rural development title of the bill includes funding levels for Farmers Home Administration and Rural Electrification Administration programs.

The bill also provides funding for the Food and Drug Administration and the Commodity Futures Trading Commission, and establishes a limitation on the administrative expenses of the Farm Credit Administration and the Farm Credit System Assistance Board. The bill also provides money to the Department of the Treasury for payments to the Farm Credit System Financial Assistance Corporation.

Given the budgetary constraints that the Committee faces, the bill as reported provides the proper amount of emphasis on agricultural and rural development programs. It is within the subcommittee's 302(b) allocation and funds high priority programs in the full amount necessary despite what the President may have requested.

Many popular programs that were proposed for elimination or significant reduction by the President, have been restored. Several examples include the extension programs, agricultural research programs, rural electrification loan levels, and the Farmers Home Administration rural development and rural housing loan programs.

The nutrition and health programs are funded to the full extent necessary to meet current estimates of participation and need. Significant increases over the 1990 level are included for food stamps, child nutrition programs, the feeding program for women, infants, and children [WIC], Food and Drug Administration programs, including AIDS research and education, and the Nutrition Assistance for Puerto Rico Program.

The Committee has also provided a Public Law 480 program level that is increased over the 1990 level.

All accounts in the bill have been closely examined to ensure that an appropriate level of funding is provided to carry out the programs of USDA, FDA, CFTC, and Farm Credit System agencies. Details on each of the accounts, the funding level, and the Committee's justifications behind the funding levels are included in the report.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Appropriations, 1990	\$2,556,000
Budget estimate, 1991	¹ 1,943,000
House allowance	1,943,000
Committee recommendation	1,943,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Secretary of Agriculture, assisted by the Deputy Secretary, Under Secretaries and Assistant Secretaries, and members of their immediate staffs, directs and coordinates the work of the Department. This includes developing policy, maintaining relationships with agricultural organizations and others in the development of farm programs, and maintaining liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

The general authority of the Secretary to supervise and control the work of the Department is contained in the Organic Act (7 U.S.C. 220-2202). The delegation of regulatory functions to Department employees and authorization of appropriations to carry out these functions is contained in 7 United States Code 450c-450g.

COMMITTEE RECOMMENDATIONS

For the Office of the Secretary, the Committee recommends an appropriation of \$1,943,000. This amount is \$177,000 more than the 1990 appropriation and the same as the budget request and the House level. The Committee continues the practice of appropriating funds for the Under and Assistant Secretaries in separate accounts.

OFFICE OF THE DEPUTY SECRETARY

Appropriations, 1990	\$392,000
Budget estimate, 1991	¹ 477,000
House allowance	477,000
Committee recommendation	477,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

COMMITTEE RECOMMENDATIONS

For the Office of the Deputy Secretary, the Committee recommends \$477,000 the same as the budget request and the House level, and \$85,000 more than the 1990 level.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

Appropriations, 1990	\$4,522,000
Budget estimate, 1991	4,971,000
House allowance	4,971,000
Committee recommendation	4,971,000

The Office of Budget and Program Analysis provides direction and administration of the Department's budgetary functions including development, presentation and execution of the budget; reviews program and legislative proposals for program, budget, and related implications; analyzes program and resource issues and alternatives and prepares summaries of pertinent data to aid the Secretary and departmental policy officials and agency program managers in the decisionmaking process; and provides Departmentwide coordination for and participation in the presentation of budget related matters to the committees of the Congress, the press, and interested public. The Office also provides Departmentwide coordination of the preparation and processing of legislative programs and reports; and develops and maintains a mission-oriented program structure which defines Department missions, goals, and objectives for the purpose of establishing long- and short-range program planning.

COMMITTEE RECOMMENDATIONS

For the Office of Budget and Program Analysis, the Committee recommends \$4,971,000, the same as the budget request and the House level, and \$449,000 more than the 1990 level.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

Appropriations, 1990	\$464,000
Budget estimate, 1991	¹ 544,000
House allowance	544,000
Committee recommendation	544,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Administration directs and coordinates the work of the departmental staff in carrying out the laws enacted by the Congress relating to accounting functions, real and personal property management, automated data processing, personnel management, development and dissemination of departmental information resources management, and other general administrative functions. In addition, the Office of the Assistant Secretary is responsible for all activities financed under the Department Working Capital Fund (7 U.S.C. 2235).

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Administration, the Committee recommends an appropriation of \$544,000, \$80,000 more than the amount for 1990 and the same as the House level and the budget request.

RENTAL PAYMENTS, USDA

Appropriations, 1990	\$49,307,000
Budget estimate, 1991	49,305,000
House allowance	49,305,000
Committee recommendation.....	49,305,000

This appropriation was established by the Agriculture, Rural Development and Related Agencies Appropriations Act of 1983 (Public Law 97-370) to finance the appropriated portion of the payments to the General Services Administration [GSA] for rental of leased space and related services to all USDA agencies except the Forest Service which is funded in another appropriation bill.

Agency budget estimates for Rent are based on GSA's projection of what it will charge the agency in a given budget year. GSA sets rates according to the market value of property or space occupied, and independent of any agency input. Rent receipts are placed in a fund used by GSA in the management of its real property operations. All Federal Government agencies utilizing Government-owned or leased property pay into this fund, which provides GSA with a pool of capital to support overall Government space needs. In effect, agencies are paying prevailing commercial rental rates in order to subsidize the inflated cost of new construction and newly leased space, and to provide for vacant space in GSA's inventory.

COMMITTEE RECOMMENDATIONS

For USDA rental payments, the Committee recommends an appropriation of \$49,305,000, \$2,000 less than the amount provided in 1990, and the same as the House level and the budget request.

BUILDING OPERATIONS AND MAINTENANCE

Appropriations, 1990	\$22,990,000
Budget estimate, 1991	25,093,000
House allowance	25,093,000
Committee recommendation.....	25,093,000

On October 1, 1984, the General Services Administration [GSA] delegated the operations and maintenance function for the buildings in the D.C. complex to the Department. This activity provides departmental staff and support services to operate, maintain, and repair the five buildings in the D.C. complex. GSA expanded the delegation to include two additional buildings on October 1, 1986. One building is the Government-owned warehouse for forms in Lanham, MD, and the other is a leased warehouse for the excess property operation located at 49 L Street, SW, Washington, DC. GSA retains responsibility for major nonrecurring repairs.

COMMITTEE RECOMMENDATION

For building operations and maintenance, the Committee recommends an appropriation of \$25,093,000. This amount is \$2,103,000 more than the 1990 level, and the same as the House level and the budget request.

ADVISORY COMMITTEES

Appropriations, 1990	\$1,494,000
Budget estimate, 1991	1,407,000
House allowance	1,407,000
Committee recommendation.....	1,407,000

The Department of Agriculture and several of its agencies utilize advisory committees to provide supplemental and specialized expertise. These advisory committees are comprised of experts and professionals from the academic and private sectors. The Assistant Secretary for Administration is the principal Department officer responsible for performing functions and coordinating activities of these committees.

The following table displays advisory committees that are proposed for fiscal year 1991:

ADVISORY COMMITTEES (EXCLUDING FOREST SERVICE)

Policy area and committee title	1991 estimated	
	Membership	Funds
Food and consumer services:		
National Advisory Council on Maternal, Infant, and Fetal Nutrition.....	23	\$39,883
National Advisory Council on Commodity Distribution	17	81,428
Dietary Guidelines Advisory Committee	9	71,911
Total	49	193,222
Science and education:		
National Agricultural Research and Extension Users Advisory Board	25	215,200
National Arboretum Advisory Council	16	13,654
Human Nutrition Board of Scientific Counselors	13	18,593
Policy Advisory Committee for Science and Education Research Grants Program	17	20,800
Animal Health Science Research Advisory Board	12	20,400
Cooperative Forestry Research Advisory Council.....	16	31,700
Committee of Nine	9	39,300
Agricultural Biotechnology Research Advisory Committee	13	222,940
Total	121	582,587
Marketing and inspection services:		
Federal Grain Inspection Service Advisory Committee	17	65,586
National Advisory Committee on Meat and Poultry Inspection	11	26,003
National Advisory Committee on Microbiological Quality Standards for Food	26	50,252
Advisory Committee on Foreign Animal and Poultry Diseases	22	26,503
National Advisory Committee on Cotton Marketing	17	33,300
General Conference Committee of the National Poultry Improvement Plan	10	7,968
National Advisory Committee on Animal Damage Control	23	38,950
Scrappie Negotiated Rulemaking Advisory Committee	25	45,220
Total	151	293,782
International affairs and commodity programs:		
Agricultural Policy Advisory Committee for Trade	22	15,538
Technical Advisory Committees for Trade in:		
Cotton	9	14,465

ADVISORY COMMITTEES (EXCLUDING FOREST SERVICE)—Continued

Policy area and committee title	1991 estimated	
	Membership	Funds
Fruits and vegetables.....	14	14,465
Grain and feed.....	8	15,538
Livestock and livestock products.....	7	15,538
Oilseed and products.....	8	14,465
Poultry and eggs.....	14	14,465
Tobacco.....	5	14,465
Dairy products.....	10	14,465
Sweeteners.....	7	14,465
Processed food.....	3	14,465
Agribusiness Promotion Council.....	30	25,719
Total.....	137	188,053
Small community and rural development:		
National Commission on Agriculture and Rural Development.....	14	25,000
Federal Crop Insurance Advisory Committee.....	25	10,000
Total.....	39	35,000
Economics: National Agricultural Cost of Production Standards Review Board.....	11	31,900
Departmental administration:		
Citizen's Advisory Committee on Equal Employment.....	21	75,212
New requirements and contingencies.....		7,244
Total, advisory committees.....	529	1,407,000

¹ Committee is in the process of being established.

COMMITTEE RECOMMENDATIONS

For advisory committees for the Department of Agriculture, the Committee recommends an appropriation of \$1,407,000, the same as the House and the budget request levels, and \$87,000 less than the 1990 level.

HAZARDOUS WASTE MANAGEMENT

Appropriations, 1990.....	\$19,927,000
Budget estimate, 1991.....	29,586,000
House allowance.....	24,757,000
Committee recommendation.....	24,757,000

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the responsibility to meet the same standards regarding the storage and disposition of hazardous waste as private businesses. The Department is required to contain, cleanup, monitor, and inspect for hazardous waste in areas covered by the Department or within departmental jurisdiction.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$24,757,000 for hazardous waste management. This amount is \$4,830,000 more than the 1990 level, \$4,829,000 less than the budget request, and the same as the House amount.

Included in the amount is \$50,000 for the State of Vermont to conduct a pilot project to determine the amount of farm and home-owner obsolete chemicals which require disposal and to create a mechanism to collect and dispose of these products at approved facilities. The project will serve as a model for other States and will generate a list of products needing disposing, organize collection procedures, and begin to pay the costs of disposing of obsolete products.

DEPARTMENTAL ADMINISTRATION

Appropriations, 1990	\$22,022,000
Budget estimate, 1991	23,355,000
House allowance	23,052,000
Committee recommendation	23,052,000

The departmental staff offices provide staff support to the top policy officials of the Department and overall direction and coordination of the work of USDA's program agencies to ensure the efficient and effective management and operation of the Department.

Activities carried out by the departmental staff offices include:

Overall direction and administration of the Department's budgetary functions including development, presentation, execution control, reporting, and adjustment of funds and manpower resources; evaluation of program and legislative proposals for program, budget, and related resource implications; and analysis of program and resource issues and alternatives, and preparation of summaries of pertinent data to aid departmental policy officials and agency program managers in the decisionmaking process;

Departmental leadership, oversight, and policy development in the areas of real and personal property, procurement, contracts, financial affairs, management improvement, and automated data processing;

Guidance in and support of the personnel management program of the Department;

- Overall leadership and coordination for the Department's programs for equal opportunity and civil rights; implementation and administration of programs under sections 8 and 15 of the Small Business Act; and direction of the Department's efforts to further the participation of minority colleges and universities in departmental programs; direction and monitoring of compliance in promoting full and open competition in procurement;
- Departmental leadership, development, and evaluation of programs in finance, accounting, Federal assistance, occupational safety and health, travel, productivity improvement, management improvement; and provision of budget, accounting, and fiscal services to the Office of the Secretary and Departmental staff offices;
- Administration of regulatory hearings and decisions by the administrative law judges who hold rulemaking and adjudicatory hearings and issue initial decisions and orders, and by the judicial officer who serves as final deciding officer in regulatory proceedings;

- Development and dissemination of departmental information resources management [IRM] standards, guidelines, rules, and regulations necessary to implement approved IRM principles, policies, and programs that improve the operational effectiveness of USDA's programs; provision of telecommunications and automated data processing [ADP] services to USDA agencies and staff offices;
- Development of policies and procedures to minimize and control burdens associated with collection of information by the Department from individuals, businesses, and other private institutions, and State and local governments;
- Development of policies and procedures to provide required long-range IRM planning for the Department and to guide the planning of its agencies; and
- Development of policies and procedures for the required review, monitoring, and oversight of major agency and departmental information resources management programs.
- Development of policies and procedures for USDA's proportional share of the communications system being developed as part of the National Security and Emergency Preparedness Program. Participation in the NCS is required under National Security Directive 201 of December 1985.

COMMITTEE RECOMMENDATIONS

For departmental administration, the Committee recommends an appropriation of \$23,052,000. This amount is \$1,030,000 more than the amount provided in 1990, \$303,000 less than the budget estimate, and the same as the House level.

WORKING CAPITAL FUND—CAPITALIZATION

Appropriations, 1990	
Budget estimate, 1991	\$3,750,000
House allowance	3,750,000
Committee recommendation	3,750,000

The USDA Working Capital Fund was authorized in 1944 by 7 United States Code 2235 and is used to finance services provided to USDA agencies on a centralized basis. Under the law, only activities approved by the Director of OMB may be carried out under the fund.

The fund received an initial appropriation of \$400,000 in 1944. Over the years additional working capital has been made available through initial transfers as activities were brought into the fund and through congressional authorizations to receive growth capital from serviced USDA agencies. Working Capital Fund operations are financed by charging user agencies the actual costs of providing the centralized services they require. The following services are performed for the agencies and financed through the Working Capital Fund: central supply and other central services; video and teleconferencing and visual design services; National Finance Center activity; and automated data processing [ADP] services.

COMMITTEE RECOMMENDATIONS

For additional capital for the Working Capital Fund, the Committee recommends \$3,750,000, the same as the House amount and the budget request. No funding was provided in 1990. This amount completes the Working Capital Fund capitalization.

The Committee concurs with the House in including the General Provision providing that the accumulation of growth capital shall not exceed \$2,000,000 and providing that no funds appropriated to an agency shall be transferred to the Working Capital Fund without the approval of the agency administrator.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

Appropriations, 1990	¹ \$951,000
Budget estimate, 1991	² 1,095,000
House allowance	1,095,000
Committee recommendation	1,095,000

¹ Includes \$542,000 which was appropriated to congressional relations, which is now part of Assistant Secretary for Congressional Relations.

² The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Congressional Relations maintains liaison with the Congress and White House on legislative matters.

COMMITTEE RECOMMENDATION

For the Office of the Assistant Secretary for Congressional Relations, the Committee recommends an appropriation of \$1,095,000. This amount is \$144,000 more than the amount available in 1990 and is the same as the budget estimate and the House level.

OFFICE OF PUBLIC AFFAIRS

PUBLIC AFFAIRS

Appropriations, 1990	\$7,964,000
Budget estimate, 1991	¹ 8,442,000
House allowance	8,442,000
Committee recommendation	8,442,000

¹ The 1991 budget proposed that this activity be funded in a single account under the Office of Public Affairs.

The Public Affairs Office provides direction, leadership, and balance in the development and delivery of useful information through all media to the public on USDA's research, educational, and regulatory activities. It also serves as the focal point for liaison between the Department and the public, including the many associations and companies representing America's food and fiber system, with emphasis on policy education.

COMMITTEE RECOMMENDATIONS

For the Public Affairs Office, the Committee recommends an appropriation of \$8,442,000. This amount is \$478,000 more than the amount provided in 1990, and the same as the House level and the

budget request. The recommended level includes up to \$500,000 for the 1990 Yearbook of Agriculture.

INTERGOVERNMENTAL AFFAIRS

Appropriations, 1990	\$479,000
Budget estimate, 1991	¹ 440,000
House allowance	440,000
Committee recommendation.....	440,000

¹ The 1991 budget proposed that this activity be funded in a single account under the Office of Public Affairs.

The Intergovernmental Affairs Office directs and coordinates all programs involving the implementation of USDA policies and procedures applicable to the Department's intra and intergovernmental affairs.

COMMITTEE RECOMMENDATIONS

For the Intergovernmental Affairs Office, the Committee recommends an appropriation of \$440,000 which is the same as the budget request and the House level, and \$39,000 less than the 1990 amount.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1990	\$51,779,000
Budget estimate, 1991	60,452,000
House allowance	55,580,000
Committee recommendation.....	55,580,000

The Office of the Inspector General [OIG] was established by law October 12, 1978, by the Inspector General Act of 1978. This act expanded and provided specific authorities for the activities of the Office of the Inspector General which had previously been carried out under the general authorities of the Secretary of Agriculture.

The inspector general:

- Provides policy direction and conducts, supervises, and coordinates all audits and investigations;
- Reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact such initiatives will have on the economy and efficiency of the Department's programs and operations, and the prevention and detection of fraud and abuse in such programs;
- Recommends policies for and conducts, supervises, or coordinates other activities in the Department whose purposes are to promote economy and efficiency or prevent and detect fraud and abuse;
- Recommends policies for and conducts, supervises, or coordinates relationships between the Department and other Federal, State, and local government agencies concerning: (a) promoting economy and efficiency; (b) preventing and detecting fraud and abuse; and (c) identifying and prosecuting people involved in fraud or abuse; and
- Keeps the Secretary and the Congress fully and currently informed about fraud, other serious problems, abuses, and defi-

ciencies in Department programs and operations, recommends corrective action, and reports on the progress made in correcting the problem.

COMMITTEE RECOMMENDATIONS

For the Office of the Inspector General, the Committee recommends an appropriation of \$55,580,000. This amount is \$3,801,000 more than the amount available in 1990, \$4,872,000 less than the budget request, and the same as the House level.

The Committee expects the inspector general to continue to conduct regular investigations and audits of the administration of food programs, including cost containment measures employed under the supplemental food programs.

OFFICE OF THE GENERAL COUNSEL

Appropriations, 1990	\$21,525,000
Budget estimate, 1991	23,517,000
House allowance	23,130,000
Committee recommendation.....	23,130,000

The Office of General Counsel was established in 1910, and the General Counsel, as chief law officer of the Department, is responsible for providing legal services for all programs, operations, and activities of the Department. The General Counsel is assisted by a Deputy General Counsel and four Associate General Counsels, each of whom is responsible for a portion of the legal work of the Department. The functions of this office are performed in the Washington office and in 22 field offices.

The field offices handle legal work relating to the activities of the Agricultural Stabilization and Conservation Service, Commodity Credit Corporation, Farmers Home Administration, Federal Crop Insurance Corporation, Forest Service, Soil Conservation Service, and the Food and Nutrition Service. By delegation of the General Counsel, legal work relating to other programs and activities of the Department may be handled by a field office.

COMMITTEE RECOMMENDATIONS

For the Office of the General Counsel, the Committee recommends an appropriation of \$23,130,000. This amount is \$1,605,000 more than the amount provided in 1990, \$387,000 less than the budget request, and the same as the House level.

OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS

Appropriations, 1990	\$448,000
Budget estimate, 1991	¹ 529,000
House allowance	529,000
Committee recommendation.....	529,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Economics provides direction and coordination in carrying out the laws enacted by the Congress in the area of economics, statistics, and other social sciences research, analysis, and information related to food, agricul-

ture, and rural resources. The Office has oversight and management responsibilities for the National Agricultural Statistics Service, Economic Research Service, World Agricultural Outlook Board, economic analysis staff, economic management staff, and the Office of Energy.

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Economics, the Committee recommends an appropriation of \$529,000 which is \$81,000 more than the 1990 amount and the same as the budget request and the House level.

ECONOMIC RESEARCH SERVICE

Appropriations, 1990.....	\$50,589,000
Budget estimate, 1991.....	56,262,000
House allowance.....	54,400,000
Committee recommendation.....	54,400,000

The Economic Research Service [ERS], originally established in 1961 principally under the authority of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621—1627), was reestablished under the authority of the Secretary of Agriculture as a USDA bureau in 1981.

ERS produces economic and other social science information as a service to the general public and to aid Congress and the executive branch in developing, administering, and evaluating agricultural and rural policies and programs. ERS monitors, analyzes, and forecasts United States and world agricultural production and demand for production resources, agricultural commodities, and food and fiber products. ERS also measures the costs of and returns to agricultural production and marketing; evaluates the economic performance of U.S. agricultural production and marketing; and estimates the effects of Government policies and programs on farmers, rural residents and communities, natural resources, and Americans in general. In addition, ERS produces economic and other social science information about the organization and institutions of the United States and world agricultural production and marketing systems, natural resources, and rural communities.

ERS-produced information is made widely available to the general public through research monographs, situation and outlook reports, professional and trade journals (including ERS's journal, *Agricultural Economics Research*), magazines (including ERS's magazines, *Agricultural Outlook*, *Farmlife*, *National Food Review*, and *Rural Development Perspectives*), radio, television, newspapers, direct computer access, and frequent participation of ERS staff at various public forums.

COMMITTEE RECOMMENDATIONS

For the Economic Research Service, the Committee recommends an appropriation of \$54,400,000. This amount is \$3,811,000 more than the 1990 amount, \$1,862,000 less than the budget request, and the same as the House level.

The Committee concurs with the House in recommending an increase of \$800,000 for food safety program analysis and reporting.

Data collected and reported will include the impact of supply and demand on food prices affecting consumers and USDA food assistance programs.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Appropriations, 1990.....	\$66,976,000
Budget estimate, 1991.....	81,151,000
House allowance.....	76,451,000
Committee recommendation.....	76,451,000

The primary responsibilities of the National Agricultural Statistics Service [NASS] (formerly known as the Statistical Reporting Service) are the development and issuance of national and State agricultural statistics, statistical research, and coordination of the Department's statistical programs as authorized under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627).

NASS programs are conducted in the following major areas:

Crop and livestock estimates.—This area includes estimates of production, supply, price, and other aspects of the agricultural economy; conduct of enumerative and objective measurement surveys; preparation and issuance of the official national and State estimates and reports of the Department relating to acreages, types and production of farm crops, number of livestock on farms, livestock products, stocks of agricultural commodities, value and utilization of farm products, prices received and paid by farmers, and other subjects as required.

Statistical research and service.—This area includes the research on and development of improved statistical techniques used in gathering and evaluating statistical data, including use of satellite data.

Work performed for others.—Services are performed for other Federal and State agencies and private commodity organizations on a reimbursable or advance payment basis. These services consist primarily of conducting surveys and performing related statistical data collection activities. They also include technical consultation and support and technical assistance programs abroad under participating agency service agreements.

COMMITTEE RECOMMENDATIONS

For the National Agricultural Statistics Service, the Committee recommends an appropriation of \$76,451,000. This amount is \$9,475,000 more than the amount provided in 1990, \$4,700,000 less than the budget estimate, and the same as the House level.

The Committee concurs with the House in providing an increase of \$3,500,000 to enhance the safety of the U.S. food supply.

Like the House, \$1,850,000 is provided for farm labor wage rate information, including adding New Mexico to its list to receive the January survey and its April through October monthly reports.

In addition, the Committee will expect the Department to maintain compilation for and production of all reports and publications that were issued in 1990.

WORLD AGRICULTURAL OUTLOOK BOARD

Appropriations, 1990	\$1,910,000
Budget estimate, 1991	2,404,000
House allowance	2,196,000
Committee recommendation	2,196,000

The World Agricultural Outlook Board [WAOB] serves as the single focal point for the Nation's economic intelligence related to domestic and international food and agriculture with the responsibility for coordinating and reviewing for clearance all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department of Agriculture. The Board's primary objective is to improve the consistency, objectivity, and reliability of outlook and situation material developed in the Department.

The Board's functions include information dissemination; market surveillance; coordination of international and domestic agricultural developments; and coordination of weather, climate and remote sensing research and forecasting techniques.

COMMITTEE RECOMMENDATIONS

For the World Agricultural Outlook Board, the Committee recommends an appropriation of \$2,196,000. This amount is \$286,000 more than the amount provided in 1990, \$208,000 less than the budget estimate, and the same as the House allowance.

OFFICE OF ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION

Appropriations, 1990	\$432,000
Budget estimate, 1991	¹ 512,000
House allowance	512,000
Committee recommendation	512,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Science and Education provides direction and coordination in carrying out the laws enacted by the Congress for food and agricultural research, extension, and teaching efforts. The Office has oversight and management responsibilities for the Agricultural Research Service, the Extension Service, the Cooperative State Research Service, and the National Agricultural Library.

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Science and Education, the Committee recommends an appropriation of \$512,000. This amount is \$80,000 more than the fiscal year 1990 amount and the same as the budget request and the House level.

AGRICULTURAL RESEARCH SERVICE

Appropriations, 1990	\$586,146,000
Budget estimate, 1991	623,510,000
House allowance	633,708,000
Committee recommendation	614,995,000

The Agricultural Research Service [ARS] is responsible for conducting basic, applied, and developmental research on: soil and water conservation; plant productivity; animal productivity; commodity conversion and delivery; human nutrition; and integration of agricultural systems.

The research applies to a wide range of goals, commodities, natural resources, fields of science, and geographic, climatic, and environmental conditions.

As the U.S. Department of Agriculture's in-house agricultural research unit, ARS has major responsibilities for conducting and leading the national agricultural research effort. It provides initiative and leadership in five areas: research on broad regional and national problems; research to support Federal action and regulatory agencies; expertise to meet national emergencies; research support for international programs; and scientific resource to the executive branch and Congress.

The mission of ARS research is to develop new knowledge and technology which will ensure an abundance of high quality agricultural commodities and products at reasonable prices to meet the increasing needs of an expanding economy and to provide for the continued improvement in the standard of living of all Americans. This mission focuses on the development of technical information and technical products which bear directly on the need to (1) manage and use the Nation's soil, water, air, and climatic resources, and improve the Nation's environment; (2) provide an adequate supply of agricultural products by observing practices that will maintain a permanent and effective agriculture; (3) improve the nutrition and well-being of the American people; (4) improve living in rural America; and (5) strengthen the Nation's balance of payments.

COMMITTEE RECOMMENDATIONS

Salaries and expenses.—For salaries and expenses of the Agricultural Research Service, the Committee recommends \$614,995,000, \$28,849,000 above the 1990 level, \$8,515,000 less than the budget request, and \$18,713,000 less than the House level.

The amount provided by the Committee includes \$2,500,000 for the special fund. These funds are used to strengthen work at Federal research installations in the field by employing junior scientific help under contracts and cooperative agreements.

The Committee concurs with the House in providing the following amounts for programs recommended for general increases in the President's budget:

[In thousands of dollars]

	1990 base	1991 budget	House and Senate	Change to base	Change to budget
Water quality	37,477	44,877	42,477	5,000	(2,400)
Global climate	1,064	8,479	5,064	4,000	(3,415)
Plant germplasm	28,104	30,304	30,304	2,200	
Plant genome	99	3,773	3,773	3,674	
Narcotics	1,484	6,484	6,484	5,000	
Animal health	8,832	10,332	10,332	1,500	

[In thousands of dollars]

	1990 base	1991 budget	House and Senate	Change to base	Change to budget
Animal germplasm	5,001	6,701	6,501	1,500	(200)
Food safety	27,517	38,317	32,917	5,400	(5,400)
Pay costs		5,448	5,448	5,448	

Water quality.—In order to ensure proper coordination and timely delivery of pesticide application technology which is compatible with USDA'S water quality objectives, the Committee expects ARS to initiate water quality research in conjunction with pesticide application research currently being conducted at the Mid-South Research Center in Mississippi.

Plant germplasm.—The Committee expects that \$100,000 of the \$2,200,000 increase for plant germplasm will be directed toward barley research at Aberdeen, ID.

Plant genome mapping.—The Committee expects that a portion of funds for plant genome mapping be used for a variety of crops, including vegetables.

Beltsville modernization.—The Committee recommends \$2,080,000 for Beltsville modernization, the same as the budget request, and has provided an additional \$16,000,000 under buildings and facilities, as proposed by the budget, for continued modernization and renovation of the Beltsville Agricultural Research Center.

The following table shows increases to the level available for 1990 recommended by the House and by the Senate for specific programs, locations, or projects. They are in addition to the general increases mentioned above.

	House increases	Senate increases
Alternative fuels characterization lab, North Dakota		\$300,000
Animal health consortium, Ames, IA		770,000
Aquaculture, Oceanic Institute, Hawaii	\$463,000	1,213,000
Aquaculture, West Virginia		900,000
BARC research, Maryland		500,000
Barley		200,000
Beckley, WV, conservation lab		300,000
Bee research		100,000
Center for Food Safety and Postharvest Tech, Mississippi		250,000
Meat animal research center, Clay Center, NE	500,000	875,000
Dairy forage, Prairie Du Sac, WI		400,000
Eastern filbert blight, Oregon	50,000	85,000
Fermentation lab, Raleigh, NC	150,000	
Food safety, Fayetteville, AR		400,000
Fort Keogh livestock and range lab, Miles City, MT		300,000
Fruit fly eradication, Hawaii	900,000	900,000
Gypsy moth, BARC		500,000
Herd management, Tennessee		750,000
Human nutrition:		
Baylor, TX	500,000	500,000
Beltsville, MD	500,000	
Grand Forks, ND		500,000
LAIR, CA	500,000	
Tufts, MA	500,000	
Kearneysville, WV, fruit lab		500,000
Locoweed research, New Mexico	200,000	200,000

	House increases	Senate increases
Meadowfoam.....		7,000
New England plant, soil and water lab, Orono, ME.....		300,000
Northern plains soil and water lab, Sidney, MT.....		500,000
Oats.....		200,000
Peach and pecan, Byron, GA.....	150,000	250,000
Peanut research.....	300,000	
Pear thrips, Vermont.....		58,000
Pennington Center, Louisiana.....		2,690
Plant stress lab, Lubbock, TX.....		150,000
Potato beetles.....	150,000	150,000
Potato varieties.....	100,000	100,000
Red River Valley Ag Res Center, Fargo, ND.....		700,000
Rice research, Louisiana.....		200,000
Russian wheat aphid.....		400,000
Scrapie/bovine spongiform encephalopathy [BSE].....		600,000
Sheep experiment station, Dubois, ID.....		500,000
Soybean research.....	350,000	700,000
Soybean-based ink.....	150,000	51,000
Space remote sensing, Mississippi.....		100,000
Sugarcane research, Hawaii.....	200,000	12,000
Sweetpotato research.....	250,000	
Sweetpotato whitefly.....	100,000	200,000
Systematic entomology lab, Beltsville, MD.....		200,000
Turkey osteomyelitis complex.....	200,000	200,000
Urban pests, Athens, GA.....		153,000
Urban pests, Gainesville, FL.....	100,000	
Vegetable oils as fuels.....		200,000
Wheat, sorghum, and forage unit, Lincoln, NE.....		300,000
Wheat quality labs.....		400,000
Special fund.....	500,000	500,000

Individual items are discussed below:

Aflatoxin.—The Committee concurs with the budget request and House allowance of \$6,056,000 for aflatoxin research. This is an increase of \$1,600,000 over last year's level and is needed to address significant problems in cottonseed, corn, peanuts, and tree nuts.

Alternative Fuels Characterization Lab.—A 1988 study of ethanol and nonethanol fuels showed a wide variation in fuel composition. The study pointed out the need for a public source of information and reference on the actual composition of fuels from which to base consumer confidence in alcohol—and other—alternative fuel blends. The Committee recommends \$300,000 to establish the National Alternative Fuels Characterization Laboratory at the University of North Dakota Energy and Environmental Research Center. This laboratory will produce unbiased, scientific information and appropriate dissemination methods from which the public can develop an appropriate confidence level in the quality, composition, and performance of alternate automotive fuels.

Animal Health Consortium.—The Committee recommends an increase of \$770,000 for the Animal Health Consortium at Ames, IA, and recommends that it be affiliated with the ARS Biotechnology Research Development Consortia at Peoria, IL.

Aquaculture.—The Committee provides an increase of \$463,000 for equipment and research at the Oceanic Institute. An additional \$750,000 is recommended for an agricultural fish food project at the Oceanic Institute in conjunction with the Northern Crops Institute.

The Committee has supported the development of aquaculture in the last decade, particularly catfish and crawfish initiatives. While remarkable progress has been made in developing the aquaculture industry, there has been an exception to the developmental pattern with respect to the fresh water species of trout and salmon. The existing trout industry is to be applauded for pioneering new technologies involving recycling of water in high density culture systems but lacks the support of a Federal research center to support future development of fresh water aquaculture in the United States. Expansion of the fresh water fish industry depends on research in the husbandry and bioengineering areas of fresh water aquaculture.

In this regard, the Committee directs the ARS to report to the Congress on the feasibility of establishing a National Fresh Water Aquaculture Research Center to develop and apply the most effective and efficient aquaculture husbandry technology and practices for fish production in fresh water. Because an abundance of fresh water and high frequency of springs in the Appalachian region, aquaculture could play a major part in the revitalization of rural Appalachian communities by providing long-term sustainable enterprises.

To help determine the economic viability of developing the fresh water component of the aquacultural industry, \$900,000 is provided to establish demonstration sites in the Appalachian region. Demonstration production units should be established where there is a source of continuous, cold fresh water and where vocational agriculture students, local 4-H Clubs, extension specialists, and farmers could participate in and observe hands-on fish farming production.

Technology already developed through the fish linked to plant culture research and development project at Shepherdstown, WV, is ready for demonstration and can be the basis for establishing the demonstration production units. Support for the ongoing project at the Spring and Groundwater Resources Institute, which involves scientists from the Appalachian Fruit Research Station, should be continued in 1991 from within available funds.

Arkansas.—The Committee notes and brings to the attention of ARS the interest of the University of Arkansas at Fayetteville in acquiring two ARS scientists to assist in the areas of environmental/conservation/sustainability research in the delta region and animal waste management/water quality research.

Barley.—An increase of \$200,000 is provided to support existing, and hire additional, research scientists at Montana State University for barley research.

The Committee expects ARS to keep its commitment to Congress that the Plant Gene Expression Center in Albany, CA, will develop gene transfer technology for small grains as part of the overall effort to address the barley dwarf virus problem.

Bee.—Continuation of research on nonapis pollinators of alfalfa is recommended at the 1990 level. An increase of \$100,000 is provided for two cooperative projects. The first is by the University of Idaho and the Idaho Alfalfa Seed Commission at the SW Idaho Research and Extension Center, Parma, ID, which would emphasize application of basic research to field situations. The second is for a

program of chalkbrood biological control research conducted between Utah State University and ARS in Logan, UT.

The Committee encourages ARS to continue its research on control measures for the varroa mite. The recent infestation of the mite in domestic bee colonies demonstrates the need to know more about the mite and possible control measures.

Blueberry/cranberry.—Continuation of blueberry and cranberry research through ARS is recommended at the current level of \$1,885,000.

Center for Food Safety and Postharvest Technology.—The Committee recommends an increase of \$250,000 to expand the cooperative agreement with the Mississippi Center for Food Safety and Postharvest Technology for the development of methodology to detect chemical residues and microbial contamination of all muscle foods (fish, poultry, and meat) and to provide techniques needed for effective regulatory inspection.

Eastern filbert blight.—An increase of \$85,000, \$35,000 more than the House, for a total of \$246,000, is provided for Eastern filbert blight research. This increase is for continuation of research on the biology of this fungus.

Food safety.—The Committee is aware that ARS has agreed to locate two poultry scientists at the University of Arkansas. An increase of \$400,000 is provided in order to help provide two additional food safety scientists—four in all—at the university.

Grasshopper and mormon cricket.—The Committee expects the Department to use funds available for grasshopper control work on Conservation Reserve Program and other lands.

Herd management.—For a program to develop herd management systems for the production of genetically lean beef cattle at Tennessee State University, the Committee recommends \$750,000. The purpose of this research is to produce a direct benefit to small family farms in the United States, including those operated by minorities.

Kenaf.—The Committee concurs with the budget request and House in providing \$1,106,000 for research on kenaf. Of this amount, not less than \$325,000 is available to continue and to expand the research program at the Mississippi State Experiment Station.

Meat Animal Research Center.—The Committee recommends an increase of \$875,000, \$375,000 more than the House, in addition to the \$675,000 in the budget, to study livestock gene mapping at Clay Center, NE.

National Sedimentation Laboratory.—The Committee concurs with the budget request and House in providing funding for work now underway at the National Sedimentation Laboratory. The laboratory is encouraged to expand its preliminary studies on the use of acoustics to characterize soils, determine moisture content, and monitor crop growth. Further, it is encouraged to continue its close relationship with the National Center for Physical Acoustics in these research efforts and to develop additional applications.

Oats.—For oats research, an additional \$100,000 is provided to fund fully the position initiated in 1990 at North Dakota State University. Also, an increase of \$100,000 is provided to enhance oat re-

search activities at the National Small Grains Germplasm Facility in Aberdeen, ID.

Oregon.—ARS is directed to continue its commitment to three Oregon research facilities in Burns, Corvallis, and Pendleton.

Pea and lentil research.—The Committee recommends continued funding for pea and lentil research at the 1990 level in the Pacific Northwest, which includes a program to control lygus bugs on peas and lentils through the cooperative efforts of the University of Idaho, Washington State University, and the USDA-ARS Insect Laboratory in Yakima, WA.

In addition, continuation of the \$100,000 provided in 1990 is recommended for ongoing research on the genetic mapping of lentils at Washington State University. The funds will allow the university to maintain a full-time geneticist who will continue the critical genetic mapping on lentils already in progress.

Pear thrip.—The recommendation includes \$107,000, an increase of \$58,000, to continue research on various nonchemical means of controlling pear thrip, including fungi and other biological means. This pest is particularly devastating to maples in New England, and the research should be carried out in that region.

Pecans.—For research on environmentally sound agricultural practices as they apply to pecans, an additional \$250,000 is recommended. The House provided a \$150,000 increase.

Pennington Center.—The Committee recommendation includes \$2,690,000 for human nutrition research at the Pennington Biomedical Research Center at Louisiana State University.

Pesticide application research.—The Committee concurs with the budget request and the House allowance to continue pesticide application research. However, the Committee is concerned that some of the directions and objectives set forth in the original proposal—establishment of a research laboratory at the Mid-South Research Center in Mississippi, equipment support, and a wind tunnel to simulate spray drift—have not been accomplished. In addition, the Committee urges that aerial application research should be a priority, and steps should be taken to initiate a cooperative agreement with Mississippi State or other existing research locations to identify the most cost-efficient method for implementing aerial application research.

Poisonous plants.—The Committee provides for the continuation of research for the Poisonous Plant Research Lab in Logan, UT, at the 1990 and budget request level of \$1,199,000, and expects research on larkspur poisoning, broom snakeweed, and astragalus poisoning of wildlife and range animals to continue. In addition, an increase of \$200,000, the same as the House, has been provided for research on locoweed in cooperation with New Mexico State University.

Potato.—The Committee concurs with the House by providing increases of \$150,000 for potato beetle research and \$100,000 for potato variety research. In addition, ARS is expected to maintain the tristate potato breeding program at the 1990 level of \$425,000.

Repair and maintenance.—Repair and maintenance of ARS facilities is funded under the "Buildings and facilities" account.

Rice.—An increase of \$200,000 is provided for additional scientific personnel at the Rice Research Station in Crowley, LA.

Russian wheat aphid.—A total of \$2,068,000 is provided for research on the Russian wheat aphid. This is an increase of \$400,000 over the 1990 budget request and House levels. This work is to be done in conjunction with other USDA agencies. The Committee expects additional attention to be given to the control of this aphid in the Great Plains States. It is also expected that additional research will be conducted on control of the aphid as it affects barley.

Scrapie/BSE.—The Committee provides \$1,362,000, an increase of \$600,000 above the budget request to study the transmission of bovine spongiform encephalopathy [BSE] in laboratory animals and to map sheep genetically for scrapie agent and to study the survival of the scrapie agent in rendered products.

Small farms.—As in the past, the Committee recommends full funding for the Small Farms Research Center at Booneville, AR.

Soybean research.—The Committee provides an increase of \$700,000, \$350,000 more than the House, for soybean research to be divided between soybean composition research and research on improved southern soybean production. Within these funds, \$100,000 is to be directed toward a southern soybean breeding program.

Soybean-based ink.—The Committee provides \$100,000, an increase of \$51,000, to support research on soybean-based ink at the National Printing Ink Research Institute at Lehigh University in Bethlehem, PA. The object of this ongoing research initiative is to demonstrate the potential and utility of different grades of soybean oil to perform as the primary solvent for heat-set lithographic printing inks.

Space remote sensing.—The Committee recommends an increase of \$100,000 to continue and expand the program jointly conducted by ARS and the Space Remote Sensing Center [SRSC].

Starch and acetate.—The Committee expects ARS to expand starch and acetate research. It is expected that research on non-food uses of starch from such commodities as corn and potatoes will result in additional and expanded markets for these crops. Through acetate research, corn starch could become the main source for certain acetate products, for which there is a significant market.

Urban pests.—An increase of \$153,000 is provided for the University of Georgia in Athens for new research and education on urban pest control methods. The House provided an increase of \$100,000 for the Insects Affecting Man Laboratory in Gainesville, FL.

Vegetable oils as fuels.—The Committee recommends \$200,000 to continue research at the University of Idaho directed toward finding nonfood uses for agriculture products. Included in this amount is \$100,000 for the National Winter Rapeseed Variety Trials Testing Program at ARS in cooperation with the national programming staff.

Wheat quality laboratories.—The Committee includes an increase of \$400,000 to be divided equally for the four regional wheat quality labs: the Soft Wheat Quality Lab in Wooster, OH; the Hard Winter Quality Lab in Manhattan, KS; the Western Wheat Quality Lab in Pullman, WA; and the Hard Red Spring and Durum Wheat Quality Lab in Fargo, ND.

Yellow star thistle.—The Committee directs that the Federal-State cooperative research agreement on yellow star thistle that

currently exists between the Department and the University of Idaho be continued at the 1990 level.

BUILDINGS AND FACILITIES

Appropriations, 1990	\$10,675,000
Budget estimate, 1991	32,600,000
House allowance	26,039,000
Committee recommendation	65,122,000

The "Buildings and facilities" account is established for the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or used by, the Agricultural Research Service. Routine construction or replacement items would continue to be funded under the limitations contained in the regular account.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$65,122,000 for this account. This amount is \$32,522,000 more than the budget estimate, \$39,083,000 more than the House level, and \$54,447,000 more than the amount provided in 1990. These funds shall remain available until expended.

The following table shows the Committee's provisions:

ARS BUILDINGS AND FACILITIES

State and facility	Fiscal year 1990 appropriation	Fiscal year 1991 request	House allowance	Committee recommendation
California: U.S. Salinity Lab, Riverside	\$2,000,000		\$5,050,000	\$5,050,000
Colorado: National Seed Storage Lab, Fort Collins	5,500,000	\$4,000,000	2,000,000	4,000,000
Georgia: Poultry Disease Lab, Athens		2,500,000	300,000	
Idaho: National Small Grains Germplasm Repository				200,000
Iowa: National Animal Disease Center, Ames			300,000	300,000
Maryland: Beltsville Agricultural Research Center		16,000,000	8,750,000	16,000,000
Minnesota: Soil and Water Lab, Morris			300,000	
Mississippi:				
Center for Natural Products ²				5,175,000
National Center for Farm-raised Catfish				2,140,000
North Dakota: Plant science greenhouse complex—NDSU	(¹)			425,000
Oklahoma: South Central Agricultural Research Center, Lane ..	150,000		1,450,000	
Oregon: Columbia Basin Agricultural Research Center, Pen-				
dleton				168,000
Oregon/Washington/Idaho: Northwest Small Fruit Center	50,000		150,000	200,000
South Carolina: U.S. Vegetable Lab, Charleston	1,135,000			5,050,000
Texas:				
ARS Bee Lab, Weslaco	340,000		1,700,000	
Plant Stress Lab, Texas Tech University	500,000		600,000	4,000,000
Washington: U.S. Fruit and Vegetable Lab, Yakima	1,000,000	10,100,000	5,050,000	
Miscellaneous: Repair and improvement, ARS facilities			389,000	17,364,000
Total	10,675,000	32,600,000	26,039,000	65,122,000

¹ Report on need and support for proposed facility.

² Funded in previous years and by the House in 1991 under CSRS buildings and facilities.

Kimberly Research Station.—The Committee is pleased with the progress on land purchases being made at the Kimberly Research Station, Kimberly, ID, and further directs the Department to ac-

quire additional lands in 1991 as required to support the program. Bill language has been added to allow for these purchases.

Center for Natural Products.—The Committee recommends \$5,175,000 for continued development and construction of the Natural Products Research Laboratory at the University of Mississippi consistent with the prior directions of Congress. This facility will house both Federal and State scientists. The House provided \$3,850,000 under CSRS buildings and facilities. ARS has been working closely with the University of Mississippi in the development of the natural products research program, and it is appropriate that the university continue to cooperate with ARS, as the lead Federal agency in natural products research, in carrying out this program. The Committee will expect CSRS to cooperate with ARS in the construction of this laboratory.

U.S. Fruit and Vegetable Lab.—The Committee recommendation includes an additional \$5,050,000 for the U.S. Fruit and Vegetable Lab in Yakima, WA. With these funds, the Committee believes that sufficient funds are available for construction to begin this year.

U.S. Citrus Research Center.—The Committee is aware that the Department is considering relocating the Orlando, FL, horticultural research facility. In this regard, the Department should report to the Committee the requirements of the proposed complex, including cost estimates to purchase the necessary land. The Committee will expect the Department to initiate planning and design of a new complex.

COOPERATIVE STATE RESEARCH SERVICE

Appropriations, 1990	\$337,668,000
Budget estimate, 1991	346,893,000
House allowance	373,076,000
Committee recommendation	379,966,000

The Cooperative State Research Service is the U.S. Department of Agriculture's principal entree to the university system of the United States for the purpose of conducting agricultural research as authorized by the Hatch Act of 1887, as amended (7 U.S.C. 361a-361i); the Cooperative Forestry Research Act of 1962, as amended (16 U.S.C. 582a-7); Public Law 89-106, section (2), as amended (7 U.S.C. 450i); and the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3101 et seq.). Through these authorities, the U.S. Department of Agriculture participates with State and other sources of funding to encourage and assist the State institutions in the conduct of agricultural research through the State agricultural experiment stations of the 50 States, the District of Columbia, and the territories; by approved schools of forestry; by the 1890 land-grant institutions and Tuskegee University; by colleges of veterinary medicine; and by other eligible institutions.

The Cooperative State Research Service participates in a nationwide system of agricultural research program planning and coordination among the State institutions, U.S. Department of Agriculture, and the agricultural industry of America.

COMMITTEE RECOMMENDATIONS

The following table summarizes Committee recommendations for the Cooperative State Research Service.

COOPERATIVE STATE RESEARCH SERVICE

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommendation
Payments under Hatch Act	155,058	158,545	163,327	161,260
Cooperative forestry research	17,279	12,975	13,494	18,361
Payments to 1890 colleges and Tuskegee University	25,012	25,169	26,346	26,346
Special research grants (Public Law 89-106):				
Acid precipitation	653			
Aflatoxin	87		175	
Agribusiness management (Mississippi)				100
Agricultural diversification (Hawaii)	154		154	154
Agricultural management systems (Massachusetts)			350	
Agricultural trade (North Dakota)	592			600
Agriculture utilization research (Minnesota)	395		500	500
Alternative cropping systems (Southeast)	281		270	285
Alternative crops (North Dakota)	494			500
Alternative marine and fresh water species (Mississippi)				350
Alternative pest control (Arkansas)	1,382			1,400
Alternative to dinoseb (Oregon)	222		225	225
Animal health	5,633		5,705	
Animal science food safety consortium (Arkansas, Kansas, Iowa)	1,678			2,000
Animal waste disposal (Michigan)			75	
Apple quality (Michigan)	94		95	
Aquaculture (general)	563		593	720
Aquaculture (Stoneville)	581		612	588
Asparagus yield decline (Michigan)	94		95	
Bean and beet (Michigan)	188		190	
Beef fat content (Iowa)				400
Belgian endive (Massachusetts)	59		75	
Blueberry shoestring virus (Michigan)	91		92	92
Broom snakeweed (New Mexico)	148		150	150
Celery fusarium (Michigan)	39		40	
Chesapeake Bay aquaculture	370		375	500
Cool season legume			250	500
Cottonseed extraction and oil refining (Texas)			75	75
Cranberry/blueberry disease and breeding (New Jersey)	257		260	260
Dairy and beef photoperiod (Michigan)	33		33	
Dairy goat (Texas)	74		75	75
Dark end syndrome (Idaho, Oregon, Washington)	49			
Delta rural revitalization (Mississippi)	173		175	175
Dogwood anthracnose (Georgia, North Carolina, Tennessee)				200
Dried bean (North Dakota)	87			100
Eastern filbert blight (Oregon)			50	100
Enhanced livestock production (North Dakota)				300
Environmental (New York)			350	
Ethanol (Arkansas)			200	
Expanded wheat pasture (Oklahoma)	148		275	275
Export services (Oregon)	247			450
Floraculture (Hawaii)	296		296	296
Food and Agriculture Policy Institute (Iowa, Missouri)	714		750	750
Food irradiation (Iowa)				200
Food marketing policy center (Connecticut)	373		393	393
Food systems research group (Wisconsin)	219		222	300
Global change		5,000		
Grasshopper biocontrol (North Dakota)	71		71	75

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommendation
Human nutrition (Iowa, Louisiana).....			600	600
Human nutrition (New York).....	556		800	
Integrated forest management (Arkansas).....				50
Integrated orchard management (Vermont).....	49			50
Integrated pest management.....	2,903	4,000	4,000	4,000
Integrated production systems (Oklahoma).....	186		186	
International livestock program (Kansas).....	94			95
Iowa biotechnology consortium.....	1,593			2,000
Irrigation/fish production (Arkansas).....				335
Leafy spurge biocontrol (Montana).....				250
Livestock and dairy policy (New York, Texas).....	518		525	525
Lowbush blueberry (Maine).....	170		172	233
Low-input agriculture (Minnesota).....	148		200	
Maple (Vermont).....	99			100
Michigan institute.....	2,160		2,276	
Midwest biotechnology consortium.....	2,592		2,730	2,730
Milk safety (Pennsylvania).....	281			285
Milkweed (Nebraska).....	79		80	80
Minor crop pest control (Hawaii).....	281		285	285
Minor use animal drugs (IR-4).....	226	329	450	450
Mosquito (Arkansas, California, Louisiana, Mississippi, Texas).....	450		456	
Multicropping strategies for aquaculture (Hawaii).....	150		150	150
National biological impact assessment.....	123	300	300	300
Nematode resistance genetic engineering (New Mexico).....			150	150
New uses for agricultural products (Ohio).....	131		150	
Nonfood agricultural products (Nebraska).....	109		110	110
Oil from jojoba (New Mexico).....	148		200	200
Operation small farm (Louisiana).....	99			
Oregon-Massachusetts biotechnology.....	247		500	500
Pacific agricultural trade (Hawaii).....				225
Peach tree short life (South Carolina).....	190		192	192
Peanut breeding (Georgia).....				95
Pecan weevil (Oklahoma).....			50	
Pesticide clearance (IR-4).....	1,975	3,000	3,000	3,000
Pesticide impact assessment.....	2,437	2,968	2,968	2,968
Pesticide (Washington).....	49		250	718
Phytophthora root rot (New Mexico).....			125	125
Plastic from cornstarch (Nebraska).....	39		40	40
Potato.....	1,310		1,327	1,415
Preservation and processing research (Oklahoma).....	264		267	
Prime farm land reclamation (Illinois, Kentucky).....	543		675	
Regional barley gene mapping project.....	153		175	350
Regionalized implication of farm programs (Missouri, Texas) ..	346		350	
Rural development centers (Pennsylvania, Iowa, North Dakota, Mississippi, Oregon).....	494		500	500
Rural economic development (Georgia).....	739			750
Rural environment (Illinois).....			150	
Rural policies institute (Arkansas, Nebraska, Missouri).....				750
Russian wheat aphid (Washington, Oregon, Idaho, Califor- nia).....	346		350	350
Safflower (North Dakota, Montana).....	247			250
Sandhills grazing management practices (Nebraska).....	99		100	40
Seafood and aquaculture harvesting, processing, and market- ing (Mississippi).....	368		373	400
Seedless table grapes (Arkansas).....			100	
Seedstocks enhancement (North Dakota).....	197			200
Small fruit research (Oregon, Washington, Idaho).....			250	
Southwest consortium for plant genetics and water.....	380		400	400
Soybean bioprocessing (Iowa).....				400

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommendation
Soybean cyst nematode (Missouri)	281		385	
STEEP—soil erosion in Northwest	584			
STEEP II—water quality in Northwest			980	980
Stone fruit decline (Michigan)	281		285	
Stored grain insects (Kansas)	281		285	285
Subirrigation (Michigan)	62		263	
Sunflower insects (North Dakota, South Dakota)	188			200
TCK smut (wheat)	247		250	250
Tropical and subtropical	3,299		3,341	3,299
Water management (Alabama)	395			400
Water quality	6,615	10,000	8,350	8,350
Wheat genetic (Kansas)	99			200
Wild rice (Minnesota)			100	
Wood utilization (Oregon, Mississippi, Michigan)	2,816		2,852	2,852
Wool (Texas)	144		250	146
World food systems (Indiana, Ohio)	355		360	
Youth science camp (West Virginia)	74			115
Total, special research grants	55,828	25,597	56,909	56,811
Competitive research grants:				
Plant systems	7,751	50,000	35,000	35,000
Soybean	(487)		(493)	
Alcohol fuels	(507)		(514)	(514)
Animal systems	4,937	30,000	20,000	20,000
Brucellosis	(469)		(475)	
Pest science	1,975			
Nutrition, food quality and health	1,481	5,000	4,000	4,000
Biotechnology	18,775			
Stratospheric ozone	3,653			
Forestry	3,949			
Natural resources and the environment		15,000	14,000	14,000
Total, competitive research grants	42,521	100,000	73,000	73,000
Animal health and disease (Sec. 1433)	5,407		5,695	
Critical Agricultural Materials Act	5,300		500	800
Aquaculture centers (Sec. 1475)	3,703		3,750	3,750
International trade centers (Sec. 1419)	3,112		2,227	5,000
Rangeland research grants (Sec. 1480)	469		475	475
Alternative crops	321	918	918	1,418
Low-input agriculture	4,394	4,450	4,450	9,000
Higher education ¹	5,928	6,000	7,000	7,500
Federal administration:				
1890 capacity building	5,430	11,000	8,250	8,250
Ag in classroom	135	200	170	170
Agricultural biotechnology	222	500	375	375
Center for Agricultural and Rural Development (Iowa)	741		750	
Geographic information system	494			1,000
Maize genetics research center (North Dakota)				200
Mississippi Valley State University	617		650	635
Office of Grants and Program Systems	568		575	
Pay costs and FERS		139		
Peer panels	247	400	250	250
Shrimp aquaculture (Hawaii, Mississippi)	3,195		3,365	3,365
Vocational aquaculture education	(²)			1,000
Water quality	1,687		600	1,000
Total, Federal administration	13,336	12,239	14,985	16,245
Total, Cooperative State Research Service	337,668	346,893	373,076	379,966

¹ Does not include \$2,850,000 permanent appropriation under Morrill-Nelson Act.² Funded at \$250,000 under higher education.

Individual items are discussed below:

Special research grants under Public Law 89-610.—The Committee recommends a total of \$56,811,000. Specifics of individual grant allowances are included in the accompanying table. Special items are discussed below.

Agribusiness management.—In recognizing the need to improve the competitiveness of U.S. agriculture by enhancing the management and leadership skills of agribusiness professions, the Committee provides \$100,000 to establish an Institute of Agribusiness at Mississippi State University.

Alternative marine and fresh water species.—Aquaculture, particularly channel catfish, is an increasingly important industry. However, its continued growth will depend on expanded research and development efforts with alternative marine and fresh water species. Therefore, the Committee recommends \$350,000 to diversify and expand the existing programs at Mississippi State and on the gulf coast to include redfish, hybrid striped bass, freshwater shrimp, and crawfish.

Animal science food safety consortium.—The Committee has provided \$2,000,000 for continuation of the highly successful food safety consortium and clarifies that the purpose of the consortium efforts of the University of Arkansas, Kansas State University, and Iowa State University does include research to develop procedures and processes to reduce or eliminate microbial or chemical hazards at appropriate critical control points.

Aquaculture (general).—The Committee recommends \$720,000 for general aquaculture work. Within this amount is \$300,000, the same as in 1990, for research on red drum, hybrid striped bass, and crawfish at Louisiana State University. Also included is an increase of \$150,000 for red drum applied research and demonstration in Louisiana.

Beef fat content.—The Committee recommends \$400,000 for field testing and new technology transfers in the area of live beef fat content analysis. Such research will be carried out through the Iowa Experiment Station and will enable cattle producers to feed their animals selectively for predetermined markets.

Dogwood anthracnose.—This new, virulent fungal disease threatens the dogwood population in the United States. Therefore, \$200,000 is recommended to augment the interdisciplinary research being conducted on dogwood anthracnose by the University of Tennessee, the University of Georgia, and North Carolina State University.

Enhanced livestock production.—To support the expansion of economic development opportunities for agricultural producers through enhanced livestock production, \$300,000 is recommended. This project, through the North Dakota Agricultural Experiment Station, in conjunction with the North Dakota Extension Service, will develop a package of options for farm operators wishing to add a low-input, sustainable livestock enterprise to their total farm enterprise, including sheep, goats, beef, swine, and dairy, and would provide the management and technical assistance that would allow beginning producers to become successfully established.

Food irradiation.—The Committee recommends \$200,000 to help support the Meat Irradiation Technology Center at Iowa State University.

Integrated forest management.—The Committee recommends \$50,000 for determining the feasibility of establishing a research, education, and extension program at the University of Arkansas at Monticello designed to maintain and improve long-term forest productivity, minimize undesirable environmental impacts related to forest management, and enhance public knowledge and awareness of forest resources and related issues.

Irrigation/fish production.—Research funds in the amount of \$335,000 are recommended for a project in Arkansas to assess the feasibility of using irrigation reservoirs for fish production. The project will compare the cost and returns of combination fish farming irrigation reservoirs and irrigation-only reservoirs.

Leafy spurge biocontrol.—The Committee recommends \$250,000 for leafy spurge biocontrol research for an innovative joint project between Montana State University and the Gros Ventre/Assiniboine Indian Tribe of the Fort Belknap Reservation.

Minor use animal drugs (IR-4).—The Committee concurs with the House in providing \$450,000, an increase of \$225,000 over the 1990 level, for the minor use animal drugs (IR-4) research program. Within these funds, the Committee expects the Department to conduct research toward the approval of chloramine-T and masoten in commercial food fish production.

Pacific agricultural trade.—A total of \$225,000 is recommended for the Pacific agricultural trade project at the University of Hawaii.

Peanut breeding.—The Committee recommends \$95,000 for peanut breeding for improved pest resistance at the Coastal Plains Experiment Station in Tifton, GA.

Potatoes.—The Committee recommends \$1,415,000 for potato research. This amount is divided in the following manner: \$600,000 for the tristate program; \$20,000 for Maryland; \$275,000 for Maine; \$200,000 each for Michigan and North Dakota; and \$60,000 each for Pennsylvania and New York.

Rural policies institute.—A total of \$750,000 is recommended for a rural policies research institute at the Universities of Nebraska, Arkansas, and Missouri. This institute will assemble, analyze, and package, for policymakers, information on the numerous factors that shape the economic and social well-being of rural America so that this information can be used by policymakers to fashion government programs to meet the needs of rural areas.

Soybean bioprocessing.—\$400,000 is recommended for Iowa State University to help incorporate new genetic systems into soybeans and to demonstrate the economic viability of the new soybean strains that are being developed.

Competitive research grants.—The Committee recommends an appropriation of \$73,000,000. This amount is \$27,000,000 less than the budget estimate, \$30,479,000 more than was available in 1990, and the same as the House level. The Committee continues its commitment to the competitive grants method of fostering and promoting increased levels of basic agricultural research in our Nation. Specific allowances for the various competitive grant categories, along

with the 1991 budget request, and House levels are shown in the accompanying table.

The Committee is determined that quality research and enhanced human resources development in the agricultural and related sciences be a nationwide commitment. In that light, the Committee supports the Department's proposal to allocate 10 percent of competitive research grants for institutional strengthening grants. In addition, the Committee recommends that 10 percent of these competitive research grant funds be allocated to States represented by EPSCoR—the experimental program to stimulate competitive research.

Although a specific allowance has not been cited, the Committee expects the Department to continue to provide competitive grants for forestry research.

The Committee expects that the competitive research grants will include research on food science and technology to assure the safety of the food supply, enhance the Nation's health, improve the value of food products, and maintain an edge against rising competition.

Animal health and disease.—Given the significant increase of more than \$15,000,000 for animal competitive research grants, the Committee recommends no appropriation for animal health and disease. This provision is consistent with the budget request. The 1990 level was \$5,407,000 and the House provided \$5,695,000.

Critical Agricultural Materials Act.—The Committee recommends \$800,000 for activities authorized by the Critical Agricultural Materials Act. This appropriation is \$300,000 more than the House allowance, \$4,500,000 less than the 1990 level, and \$800,000 more than the budget request. Included in this recommendation is \$500,000 for the research program at the National Center for Physical Acoustics at the University of Mississippi. The Committee further recommends \$300,000 to develop a university-based program relating to the expanded uses of agricultural-based products and alternative agriculture crops in the U.S. polymer industry to be coordinated at the Mississippi Polymer Institute.

International trade centers.—The Committee notes the interest in establishing and maintaining almost 20 international trade centers at a cost of more than \$14,000,000. However, given limited budget resources, the Committee recommends a total of \$5,000,000—\$2,773,000 more than the House—for these centers and provides that amounts appropriated for specific centers in 1990 shall continue. Those amounts are: \$1,000,000 for the Center for International Trade in Forest Products [CINTRAFOR] and the International Marketing Program for Agricultural Commodities and Trade [IMPACT]; \$1,000,000 for the International Trade Development Center at Iowa State University; \$227,000 for the International Trade Development Center at the University of Kentucky; \$575,000 for the Center for International Trade Development in Appalachian Hardwood Forest Products at West Virginia University; \$300,000 for the International Trade and Development Center at the Wheat Marketing Center in Oregon; and \$50,000 for the International Trade and Development Center at the University of Idaho.

The Committee is sensitive to the need for the development of specific marketing assistance in Eastern Europe and the Soviet

Union. Therefore, the Committee recommends \$400,000 for international trade development centers who have existing exchange agreements with both Eastern European and Soviet entities similar to trade centers or land grant agricultural institutions to promote trade and assist United States agribusinesses becoming competitive in these newly opening markets.

With the remaining \$1,448,000, the Committee will expect the Department to initiate new centers or enhance existing centers.

Alternative crops.—The Committee recommends \$1,418,000 for alternative crops research, \$1,097,000 more than the 1990 level and \$500,000 more than the House amount and the budget request.

Included in the recommendation is \$668,000 for guayule which was funded under the Critical Agricultural Materials Act in 1990. The remaining \$750,000 is for research on crambe and winter rapeseed in Iowa, Missouri, Kansas, New Mexico, and Idaho with \$100,000 specifically designated for varietal breeding work on *brassica hirta* as a spring-planted rapeseed and a source of high erucic acid oil.

Aquaculture centers.—The Committee concurs with the House in providing \$3,750,000 for the existing regional aquaculture centers.

Low-input agriculture.—For low-input agriculture, the Committee recommends \$9,000,000, more than twice as much as the amount available for 1990 and \$4,550,000 more than the House level. The Committee urges the Department to allocate a portion of these funds for the establishment of two national training centers, if authorized, to coordinate and administer educational activities in sustainable agriculture, in cooperation with the Extension Service.

Higher education.—The Committee recommends \$7,500,000 for higher education. This amount is \$1,572,000 more than the 1990 level and \$1,500,000 more than the budget request. The Committee concurs with the House in providing \$3,500,000 for graduate fellowships, \$2,000,000 for strengthening grants at the 1890 colleges and Tuskegee University, and \$1,500,000 for challenge grants.

In addition, \$500,000 is included for North Dakota State University to continue its Farmer Career Change Program which had been funded for the past 3 years.

Once again, the Committee rejects the administration proposal to repeal the permanent appropriation of the Morrill-Nelson Act which will continue to provide higher education funds to every State.

The Nation's deficiencies with regard to math and science education are a primary concern. The Committee acknowledges the potential work force deficit faced by the Department as a result of this situation and encourages the agencies in the Department to evaluate their efforts to replenish the work force pool and to increase interagency cooperation and coordination of education outreach efforts.

Federal administration.—The Committee provides \$16,245,000 for Federal administration, \$1,260,000 more than the House level, \$2,909,000 more than the 1990 level, and \$4,006,000 more than the budget request. The Committee recommendations are reflected in the table above.

Included in the amount is \$200,000 to augment the nationally recognized research program in maize genetics at the University of

North Dakota and to establish the Maize Genetics Research Center there.

Also included is \$1,000,000 for a cooperative agreement with the National Center for Resource Innovations for development of pilot projects using a geographic information system for land use management purposes. This project was begun in 1990 in Georgia, Arkansas, and the Chesapeake Bay, and it is proposed to be expanded to Washington and North Dakota.

The Committee also recommends continuation of the Vocational Aquaculture Education Program at \$1,000,000. It was funded at \$250,000 in 1990 and the House provided no funds. The Committee expects the Department to continue working with the National Council for Vocational and Technical Education to complete the development of this aquaculture curriculum.

The water quality portion of the Federal administration is to continue research at the University of North Dakota in the amount of \$750,000 and at Iowa State University in the amount of \$250,000.

Also provided is \$635,000 for a grant to Mississippi Valley State University for further curriculum development and strengthening.

The Committee is aware of a new project known as project food, land, and people, which is an interdisciplinary, supplementary education program which emphasizes agriculture and the environment. This project is currently being funded through private donations; the project materials are being developed by educators throughout the country with the cooperation and advice of the Department's Ag in the Classroom Program. The Committee supports this effort and urges the Department to continue working with this organization to accomplish the objectives of this project.

BUILDINGS AND FACILITIES

Appropriations, 1990.....	\$45,108,000
Budget estimate, 1991.....	
House allowance.....	45,361,000
Committee recommendation.....	67,758,000

The "Buildings and facilities" account was established for the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities which directly or indirectly support research and extension programs of the Department. Routine construction or replacement items would continue to be funded under the limitations contained in the regular account.

COMMITTEE RECOMMENDATIONS

For buildings and facilities, the Committee recommends \$67,758,000. This amount is \$22,397,000 more than the House level and \$22,650,000 more than the 1990 amount. There was no budget request. The following table summarizes the Committee's provisions:

BUILDINGS AND FACILITIES

State and facility	1990 appropriation	1991 request	House allowance	Committee recommendation
Alabama: Tuskegee University			\$800,000	\$600,000
Arkansas:				
Center for Alternative Pest Control	\$420,000			1,202,000
Poultry and Isolation Facility, University of Arkansas/ Fayetteville	247,000			428,000
Poultry Center of Excellence	(¹)			4,700,000
Rice Germplasm Center, Stuttgart	(¹)		223,000	223,000
Arizona: Agriculture research complex—environmental stress lab				(¹)
California:				
Alternative pest control containment and quarantine, University of California			(¹)	(¹)
Grape Importation Facility, University of California at Davis	128,000		1,233,000	561,000
Florida: Biotechnology Institute, University of Florida-Ala- chua	1,530,000		500,000	3,850,000
Georgia:				
Biocontainment Research Center, University of Georgia ..	985,000		500,000	3,000,000
Center for Advanced Water Technology, Savannah				(¹)
National Laboratory for Environmentally Sound Produc- tion Agriculture-Tifton	(¹)			300,000
Vidalia onion storage research facility				225,000
Hawaii: Center for Tropical/Subtropical Agriculture	1,121,000		5,675,000	5,675,000
Idaho: Biotechnology Facility	(¹)			5,900,000
Illinois:				
Biotechnology Center, Northwestern University				(¹)
National Soybean Laboratory, University of Illinois	1,306,000		1,750,000	1,484,000
Indiana: Molecular and Cellular Biotech Facility	(¹)		1,500,000	
Iowa:				
Center for Food and Industrial Agriculture Product Development, Iowa State University	3,203,000		3,400,000	2,722,000
Human Nutrition Center, Iowa State University	2,271,000		1,750,000	2,439,000
Kansas: Throckmorton Plant Science Center, Kansas State University	2,962,000		500,000	4,500,000
Maine:				
Food Safety Laboratory, University of Maine				93,000
Masardis Research Farm	114,000			200,000
Presque Isle Farm Building consolidation	(¹)			150,000
Maryland: Institute for Natural Resources and Environmental Science, University of Maryland			(¹)	(¹)
Massachusetts: Center/hunger, poverty, nutrition and policy ..				(¹)
Michigan: Food Toxicology Center, Michigan State University ..	2,962,000		5,190,000	
Mississippi: Center for Natural Products, University of Mississippi	3,875,000		3,850,000	(²)
Montana: Bioscience Research Laboratory, Montana State University	247,000		500,000	2,000,000
Nebraska: Center for Advanced Technology, University of Nebraska	2,962,000		4,500,000	4,500,000
New Jersey: Plant Bioscience Facility, Rutgers University	89,000		5,000,000	
North Carolina:				
Center for Nutrition, Wake Forest University	2,853,000			
Biotechnology Facility	(¹)		750,000	530,000
North Dakota:				
Animal Care Facility, North Dakota State University				(¹)
Earth Systems Science Center, University of North Dakota	4,147,000			
Ind Ag and Communication Center, North Dakota State University	2,304,000		500,000	2,511,000
Inst/Ag Health Science and Rural Medicine, University of North Dakota				4,488,000
Research Teaching Laboratory, Hettinger	148,000			

BUILDINGS AND FACILITIES—Continued

State and facility	1990 appropriation	1991 request	House allowance	Committee recommendation
Seed Research and Regulatory Facility, North Dakota State University.....				(¹)
New York: New York Botanical Garden.....				(¹)
Oklahoma: National Veterinary Center for Equine and Bovine Biotechnology-OSU-Stillwater.....	296,000			
Oregon: Seafood Center, Oregon State University.....			(¹)	
Pennsylvania: Center for Food Marketing, St. Joseph's University.....			(¹)	1,200,000
Rhode Island: Building consolidation, University of Rhode Island.....	(¹)			1,904,000
South Dakota: Northern Plains Biostress Laboratory, South Dakota State University.....	1,679,000		500,000	2,261,000
Tennessee: Nursery Crop Research Station.....	247,000			250,000
Texas: Inst/Biosciences and Technology, Texas A&M ²	2,962,000		2,300,000	3,294,000
Utah: Biotechnology Laboratory, Utah State University.....	(¹)			1,388,000
Vermont: Tree Physiology and Maple Research Laboratory, University of Vermont.....	370,000			375,000
Virginia: Agriculture Biotechnology Facility, Virginia Poly- technic Institute.....	112,000		1,125,000	
Virginia/Maryland: Virginia/Maryland Regional College of Veterinary Medicine.....	474,000			
Washington:				
Animal Disease Biotechnology Facility, Washington State University.....	(¹)		1,415,000	1,005,000
Center for Information and Technology, Gonzaga Uni- versity.....	617,000			
Food Science/Human Nutrition Facility, Washington State University.....	2,108,000			
West Virginia: Poultry Research Center, West Virginia University.....	1,481,000			
Wisconsin:				
Agriculture Biotechnology/Genetics Facility, University of Wisconsin/Madison.....	592,000		1,700,000	3,500,000
Research greenhouse.....				(¹)
Wyoming: Environmental Simulation Facility, University of Wyoming.....			(¹)	(¹)
Miscellaneous: Fund for reports ³	296,000		200,000	300,000
Total.....	45,108,000		45,361,000	67,758,000

¹ Report on need and support for proposed facility.² House and Senate 1991 provide \$450,000 and \$950,000 respectively in addition from funds previously appropriated.³ Senate provides \$5,175,000 under ARS buildings and facilities.

Texas A&M Institute for Biosciences and Technology.—The Committee does not concur with the House in providing \$500,000 of previously appropriated funds for the University of Texas Southwestern. Rather, the entire \$950,000 is provided for construction at Texas A&M.

Rice Germplasm Center.—The Committee has included \$223,000 for the Rice Germplasm Center at Stuttgart, AR, but notes that this facility may be more appropriately placed within the "Buildings and facilities" account of the Agricultural Research Service. This issue will be addressed in the conference committee.

Bennett Living and Learning Center.—The Committee is aware of a proposal by Lincoln University in Jefferson City, MO, to renovate the Bennett Living and Learning Center at this 1890 land grant institution. Although the university has not completed final plans for this project, the Committee is aware that Lincoln University will

request State funds for a portion of this project to improve and modernize an existing structure to serve future needs. The Committee will expect the Department to review the proposal and report its findings and recommendations to the Committee by February 1, 1991.

Health Information Technology Center.—The Committee encourages the Department to review a construction grant request for a Health Information Technology Center at the Medical College of Wisconsin.

EXTENSION SERVICE

Appropriations, 1990	\$369,180,000
Budget estimate, 1991	345,676,000
House allowance	393,877,000
Committee recommendation	395,477,000

Cooperative extension work was established by the Smith-Lever Act of May 8, 1914, as amended. Legislation authorizes the Department of Agriculture to provide, through the land-grant colleges, cooperative extension work that consists of the development of practical applications of research knowledge and the giving of instruction and practical demonstrations of existing or improved practices or technologies in agriculture, uses of solar energy with respect to agriculture, home economics, related subjects, and to encourage the application of such information by demonstrations, publications, through 4-H clubs, and other means to persons not attending or resident in the colleges.

To fulfill the requirements of the Smith-Lever Act, State and county extension offices in each State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Marianas, and Micronesia conduct educational programs to improve American agriculture and strengthen the Nation's families and communities.

COMMITTEE RECOMMENDATIONS

The following table summarizes Committee action on the Extension Service:

EXTENSION SERVICE

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommendation
Smith Lever 3(b) and 3(c)	242,272	246,535	253,858	251,358
Smith Lever 3(d):				
Pest management	7,110	7,164	7,450	7,450
Water quality	5,211	15,500	10,375	10,375
Farm safety	963		970	2,470
Urban gardening	3,474		3,640	
Food and nutrition education (EFNEP)	58,197	21,600	60,525	60,525
Pesticide impact assessment	2,561	3,580	3,080	3,380
Financial management and counseling	1,416		750	
Rural development centers	943		950	950
Food safety		2,000	1,500	
Youth at risk		10,000	7,500	7,500

EXTENSION SERVICE—Continued

(In thousands of dollars)

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommendation
Indian reservation agents.....				4,000
1890's colleges and Tuskegee.....	21,836	23,092	22,880	22,709
1890's facilities grants.....	9,437	9,508	9,508	9,508
Renewable Resources Extension Act.....	2,744			2,765
Payments to D.C.....	946	1,000	991	991
Public Law 100-219 pilot projects.....	3,325		1,750	3,350
Subtotal.....	360,435	339,979	385,727	387,331
Federal administration and special grants:				
General administration.....	4,945	5,500	5,181	5,181
Pilot technology transfer (Oklahoma, Mississippi).....	330		333	330
Rural development (Nebraska).....	189		200	189
Rural development (Oklahoma).....	430		433	
Crambe/rapeseed (Nebraska).....	64		70	64
Agricultural development Pacific (Hawaii).....	645		650	645
Pay costs.....		197		
New England vertebrate (Massachusetts).....	94		113	
Project future (Minnesota).....	137		149	
Rural rehabilitation (Georgia).....	256		146	256
Agricultural film (New York).....	174		175	
Rural education pilot (North Dakota).....	846			846
Presque Isle (Maine).....	139			139
Crop simulation (Mississippi).....	496		500	496
Southern Kentucky agricultural development strategy.....			50	
Income enhancement demonstration (Ohio).....			150	
Subtotal, Federal administration.....	8,745	5,697	8,150	8,146
Total, Extension Service.....	369,180	345,676	393,877	395,477

COMMITTEE RECOMMENDATIONS

Smith-Lever sections 3 (b) and (c).—The Committee recommends \$251,358,000 for payments under the Smith-Lever Act for base formula funds that serve as the foundation for research and development throughout the Extension Service network. This amount reflects an increase of \$9,086,000 over the 1990 appropriation, \$2,500,000 less than the amount proposed by the House, and \$4,823,000 more than the budget request.

Included in this amount is an increase of \$2,000,000 for food safety initiatives. The Committee expects that Extension will substantially increase its efforts to integrate pesticide use and biocontrol methods that promote high production while assuring maximum food safety. In Vermont, the Committee expects the Extension Service to assist the Vermont Department of Agriculture in establishing an Agricultural Food Products Safety Screening Program.

The Committee directs the Extension Service to develop new rural health and safety education programs.

The Committee concurs with the House in recommending continuation of the home sewing project in Mississippi and, to the extent possible, expansion of the program to South Carolina and Alabama.

The Committee expects that an extension specialist will continue to work with the small farms research and plant materials centers at Booneville, AR, and that research information will be disseminated by a regional extension specialist in Arkansas, Oklahoma, and Missouri.

In order to promote improved beef production in the South Central region, the Committee urges the Arkansas Cooperative Extension Service to participate in a small farms management demonstration project in conjunction with the South Central Small Farms Research Center and the University of Arkansas using base funds.

Noting the success of livestock development in North Dakota, the Committee encourages efforts toward farm diversification projects, including dairy goat and sheep development projects.

The Committee urges the Extension Service to begin a pilot project in Georgia to provide management technical assistance and training to black farmers in selected counties with FmHA borrowers.

Recognizing the success of recent collaborative efforts of the New Mexico State University College of Business and Economics with the Extension Service to promote rural economic and business development, the Committee urges the Extension Service to undertake activities to establish rural economic data banks and business outreach projects in New Mexico.

Smith-Lever section 3(d).—For farm safety, \$2,470,000 is recommended. An additional \$1,500,000 is provided specifically for the assistance of disabled farmers and for those in farm-related occupations to continue their farm and farm-related activities as recommended by the National Easter Seal Society. Within funds available, Extension is expected to focus attention on education and training activities to remove farming from the most hazardous occupations list of the National Safety Council. The Committee encourages volunteer and part-time paraprofessional support in these efforts, similar to the EFNEP model.

The Committee recommends \$60,525,000 for the Expanded Food and Nutrition Education Program (EFNEP), the same as the House, \$38,925,000 more than provided in the President's budget, and \$2,328,000 more than provided in 1990. In its education efforts, EFNEP is to coordinate with the Nutrition Education and Training Program and with the Mississippi School Food Service Institute using current nutrition information and teaching methods.

In Hawaii, the Committee expects the Extension Service to direct increased EFNEP funds toward implementation of a nutrition and health education demonstration project targeted to young families residing in remote island locations. The Committee expects these activities to be coordinated with the University of Hawaii Center on the Family project.

For the Youth at Risk Program, the Committee proposes \$7,500,000, \$2,500,000 less than the budget request and the same as proposed by the House. The Committee is favorably impressed with the substantial financial matching support of private foundations and organizations committed to youth at risk initiatives.

The Committee notes that there is strong interest in using the Extension Service as a conduit for guidance and directed activities in rural America to aid troubled youth, to improve maternal and

child nutrition and health, to strengthen inadequate educational curricula, and to improve community, social, and health services systems. Due to limited funding, the Committee does not recommend specific earmarked funds for several new proposals submitted for regional and State-specific projects.

However, the Committee does expect the Extension Service to examine and award funds under youth at risk criteria to meritorious, results-oriented projects submitted to develop a statewide rural education model for kindergarten through grade 12, and to aid in meeting youth crises in rural America.

The Committee restores funding eliminated in the budget for regional rural development centers at \$950,000 in 1991, the same as provided by the House.

In response to growing national concern, the Committee recommends \$10,375,000 for water quality, the same as recommended by the House, \$5,164,000 more than the 1990 level, and \$5,125,000 less than the budget request.

The Committee encourages the Extension Service to participate in activities of Project WATER in Athens, GA.

Recognizing the extraordinary need for current pesticide use information, the Committee provides \$3,380,00 for pesticide impact assessments. This amount is \$200,000 less than the budget request, \$819,000 more than the 1990 level, and \$300,000 more than provided by the House.

For integrated pest management [IPM] systems, the Committee recommends \$7,450,000, the same as the House, \$340,000 more than the 1990 level, and \$286,000 more than the budget request. The Committee recognizes that it is imperative that alternative pest management systems are readily available, especially for minor crops, such as apples. Thus, the Committee recommends priority be given to development of such systems, including the southeastern apple pest management project in Georgia.

To continue its efforts in meeting the growing demand for IPM technical services, the Committee expects the Maine Extension Service to acquire state-of-the-art telecommunications and computer equipment to aid in pest analyses.

To achieve these important goals, the Committee directs that the Smith-Lever 3(d) funds be augmented by Smith-Lever 3(b) and 3(c) base program funds to address the critical need for new integrated pest management programs. The Committee expects that the Extension Service will continue as a participant in the Interagency Advisory Committee focusing on pest resistance and integrated pest management systems. Further, the Committee recommends that the Extension Service participate in interagency IPM activities focused on the Russian wheat aphid.

The Senate does not concur with the House in providing \$3,640,000 for urban gardening, nor \$750,000 for farmer financial counseling. No funds are provided for these programs.

1890's Colleges and Tuskegee University.—For extension research and field activities of the 1890's and Tuskegee, the Committee recommends \$22,709,000, \$171,000 less than the House recommendation, \$873,000 more than the 1990 level, and \$383,000 less than the budget.

1890's facilities grants.—The Committee recommends \$9,508,000 for facilities improvements for the 1890 institutions and Tuskegee, the same as the budget and the House.

Renewable resources extension.—The Committee restores \$2,765,000 to continue ongoing activities under the Renewable Resources Extension Act; these funds were eliminated under the budget and by the House.

District of Columbia.—For Extension Service programs for the District of Columbia, the Committee recommends that \$991,000 be made available in 1991, the same as the House, and \$9,000 less than the budget request.

Public Law 100-219 Pilot Projects.—The Committee recommends continuing rural revitalization pilot projects established under Public Law 100-219 at a level of \$3,350,000, which is \$1,600,000 more than the House. No funds were requested in the budget.

Extension agents for Indian reservations.—The Committee provides \$4,000,000 for the establishment of an Extension Service field program for Indian reservations. The budget did not include funds for this program, nor did the House.

Federal administration and special grants.—The Committee concurs with the House in providing \$5,181,000 for general administration which is \$319,000 less than requested in the budget and \$236,000 more than the 1990 level.

For the technology transfer projects in Oklahoma and Mississippi, the Committee provides \$330,000, the same amount available in 1990 and \$3,000 less than recommended by the House.

The Committee recommends \$189,000 for the rural development project in Nebraska, the same amount available in 1990 and \$11,000 less than the amount included by the House.

Crambe and rapeseed projects in Nebraska are recommended for continuation at the 1990 level of \$64,000, rather than the House-proposed level of \$70,000.

For Hawaii, the Committee provides \$645,000 for Pacific agricultural development, the same level available in 1990 and a \$5,000 reduction in the amount proposed by the House.

The Committee recommends continuing the rural rehabilitation project in Georgia at its 1990 level of \$256,000, rather than at the House level of \$146,000.

For the rural education pilot underway in North Dakota, the Committee recommends \$846,000, equal to the amount made available in 1990. The House did not fund this program.

For Presque Isle, ME, the Committee recommends \$139,000, the same amount available in 1990. No funds were recommended by the House.

For the cotton crop simulation project in Mississippi, the Committee recommends \$496,000, the same amount provided in 1990 and \$4,000 less than the House.

The Senate does not provide \$433,000 for continuation of the Oklahoma rural development project as recommended by the House.

Recommendations by the House for \$113,000 for New England vertebrate work, an increase of \$19,000 over the 1990 level, and \$149,000 for project future in Minnesota, an increase of \$12,000 over the 1990 level, are rejected by the Senate.

The Committee notes interest in establishing several new regional and State-specific projects under the Extension Service at a cost of more than \$41,000,000; however, given limited resources it is unable to fund any of these new projects. Due to severe Federal budget constraints, the Senate does not concur with the House in providing for new projects, nor increasing funds for existing projects under the "Federal administration and special grants" account. The Senate rejects the House recommendations for the following new projects: \$150,000 for an income demonstration project in Ohio, \$50,000 for an agriculture development strategy project in Kentucky, and \$175,000 for a drug rehabilitation film, noting in particular that this film could be funded under the youth at risk initiative.

NATIONAL AGRICULTURAL LIBRARY

Appropriations, 1990.....	\$14,676,000
Budget estimate, 1991.....	15,773,000
House allowance.....	16,373,000
Committee recommendation.....	16,423,000

The National Agricultural Library [NAL] had its mission outlined by the Organic Act of 1862, establishing the Department of Agriculture. The act sets forth a mission, "to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most comprehensive and general sense of the word," and placed upon the Secretary the responsibility to "procure and preserve all information concerning agriculture which he can obtain by means of books * * *."

The NAL disseminates useful information about agricultural and other related sciences to scientists and researchers, administrators and managers, farmers, and the general public. In addition to providing traditional library services such as bibliographies, reference services and document delivery to agricultural scientists and researchers, NAL is expanding its role and serving a wider audience by using modern information dissemination technology to its fullest. Traditionally, the library has concentrated its thrust toward the agricultural scientists and researchers. The wider audience includes Federal, State, and local administrators, as well as the farmer, the small businessman, public groups at all levels, and the general public.

With approximately 1.8 million volumes of printed material on agriculture and supporting scientific disciplines, NAL has one of the largest collections of its kind in the world. Both current and historical information is collected and organized for effective utilization by a wide range of users.

COMMITTEE RECOMMENDATIONS

For the National Agricultural Library, the Committee recommends an appropriation of \$16,423,000. This amount is \$1,747,000 more than the 1990 level, \$650,000 more than the budget request, and \$50,000 more than the House level.

The Committee concurs with the House in providing \$350,000 for capital development, a decrease of \$50,000 in the amount requested

and also concurs with the House in providing \$250,000 to expand the Biotechnology Information Center. The Committee encourages NAL to serve as a focal point for information and resource services on biotechnology-related research.

The appropriation includes \$425,000 for the National Center for Agricultural Law Research and Information at the Leflar School of Law in Fayetteville, AR. This amount reflects an increase of \$45,000 over the 1990 level to enable Leflar to participate in the expansion of the AGRICOLA data base of the National Agricultural Library. No more than 5 percent of these funds will be retained by NAL for administrative expenses.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES

Appropriations, 1990	\$422,000
Budget estimate, 1991	¹ 497,000
House allowance	497,000
Committee recommendation	497,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Marketing and Inspection Services provides direction and coordination in carrying out laws enacted by the Congress with respect to the Department's marketing, inspection, and standardization related to grain; competitive marketing practices of livestock, meat and poultry, meat and poultry products, marketing orders, and various programs; veterinary services; and plant protection and quarantine. This Office has oversight and management responsibilities for the Animal and Plant Health Inspection Service, Agricultural Marketing Service, Agricultural Cooperative Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Packers and Stockyards Administration, and Office of Transportation.

COMMITTEE RECOMMENDATION

For the Office of the Assistant Secretary for Marketing and Inspection Services, the Committee recommends an appropriation of \$497,000, \$75,000 more than the 1990 level, and the same as the budget request and the House level.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Appropriations, 1990	\$355,366,000
Budget estimate, 1991	367,950,000
House allowance	380,266,000
Committee recommendation	381,120,000

The Animal and Plant Health Inspection Service [APHIS] conducts programs to protect the animal and plant resources of the Nation from destructive pests and diseases in order to preserve the marketability of U.S. agricultural products within this country and abroad. Five major areas of activity are discussed below.

Pest and disease exclusion.—The Agency conducts inspection and quarantine activities at U.S. ports of entry to prevent the introduction of exotic animal and plant diseases and pests. The Agency also participates in inspection, survey, and control activities in foreign countries to reinforce its domestic activities.

Plant and animal health monitoring.—The Agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests.

Pest and disease management programs.—The Agency carries out programs to control and eradicate infestations and animal diseases that threaten the United States; reduce agricultural losses caused by predatory animals, birds, and rodents; provide technical assistance to other cooperators such as States, counties, and farmer or rancher groups, and foundations; ensure compliance with interstate movement and other disease control regulations within the jurisdiction of the Agency.

Animal care.—The Agency conducts regulatory activities which ensure the humane care and treatment of animals and horses as required by the Animal Welfare and Horse Protection Acts. These activities include inspection of certain establishments which handle animals intended for research, exhibition, and as pets, and monitoring of certain horse shows.

Scientific and technical services.—The Agency performs other regulatory activities, including the development of standards for the licensing and testing of veterinary biologicals to ensure their safety and effectiveness; diagnostic activities in support of the control and eradication programs in other functional components; applied research aimed at reducing economic damage from vertebrate animals; development of new pest and animal damage control methods and tools; and regulatory oversight of genetically engineered products.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee's recommendations for the Animal and Plant Health Inspection Service:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommenda- tion
Pest and disease exclusion:				
Africanized bee	1,916		1,500	
Agricultural quarantine inspection	64,615	74,969	71,268	71,268
Foot-and-mouth disease	3,011	3,924	3,818	3,818
Import-export inspection	8,486	9,001	8,929	8,929
International programs	4,238	4,492	4,238	4,238
Mediterranean fruit fly	9,729	10,431	12,181	10,831
Mexican fruit fly	1,504	1,745	1,745	1,745
Screwworm	31,607	33,391	33,391	33,391
Subtotal, pest and disease exclusion	125,106	137,953	137,070	134,220
Plant and animal health monitoring:				
Animal disease detection	5,320	9,256	8,335	8,335

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1990 appropriation	Fiscal year 1991 budget	House allowance	Committee recommenda- tion
Pest detection.....	3,717	4,140	4,059	4,059
Subtotal, plant and animal health monitoring.....	9,037	13,396	12,394	12,394
Pest and disease management programs:				
Animal damage control—operations.....	22,081	24,288	24,288	24,288
Animal health compliance and enforcement.....	14,493	12,354	12,354	12,354
Biocontrol.....	5,482	7,344	6,446	4,944
Boll weevil.....	12,841	9,816	13,135	13,135
Brucellosis eradication.....	61,927	64,553	64,553	64,553
Cattle ticks.....	6,172	4,460	6,172	6,172
Citrus canker.....		1,264	1,264	1,264
Golden nematode.....	761	808	808	808
Grasshopper and Mormon cricket.....	10,385	6,078	3,850	3,850
Reserve fund.....	4,932		5,000	5,000
Gypsy moth.....	4,601	4,877	4,877	4,877
Honey bee pests.....	351	502	502	502
Imported fire ant.....	4,232	1,552	4,232	4,232
Miscellaneous plant and animal diseases.....	2,342	3,282	2,436	2,436
National poultry improvement plan.....	216	229	229	229
Noxious weeds.....	842	589	589	1,189
Pink bollworm.....	1,302	1,010	2,800	2,800
Poultry diseases.....	634	673	673	673
Pseudorabies.....	4,492	3,075	5,492	8,596
Russian wheat aphid.....	898		898	2,400
Scrapie.....	1,085		846	846
Swine health protection.....	3,220	3,417	3,319	3,319
Tuberculosis.....	3,453	3,554	3,554	3,554
Witchweed.....	4,857	5,144	5,144	5,144
Subtotal, pest and disease management programs.....	171,599	158,969	173,461	177,165
Animal care:				
Animal welfare.....	7,464	8,688	9,688	9,688
Horse protection.....	159	359	359	359
Subtotal, animal welfare.....	7,623	9,047	10,047	10,047
Scientific and technical services:				
ADC methods development.....	7,326	7,763	8,763	8,763
Biotechnology.....	4,685	6,518	5,697	5,597
Plant methods development.....	4,823	5,499	5,499	5,499
Veterinary biologics.....	8,523	9,507	9,165	9,165
Veterinary diagnostics.....	12,201	14,798	13,670	13,670
Subtotal, scientific and technical services.....	37,558	44,085	42,794	42,794
Contingency fund.....	4,443	4,500	4,500	4,500
Total, salaries and expenses.....	355,366	367,950	380,266	381,120

For the salaries and expenses of the Animal and Plant Health Inspection Service, the Committee recommends an appropriation of \$381,120,000. This amount is \$13,170,000 more than the budget estimate, \$25,754,000 more than the level for fiscal year 1990, and \$854,000 more than the House amount.

Agricultura! quarantine inspection.—For quarantine inspection, the Committee provides \$71,268,000, the same as the House level, and concurs with the House in providing \$205,000 for the purchase of additional electronic baggage inspection equipment for airports in Hawaii. The Committee will expect APHIS to maintain its pre-

April 1, 1990, policy of providing federally mandated inspections of cargo in Hawaii at no charge. In addition, APHIS should maintain staffing at levels sufficient to prevent any deterioration in service.

Mediterranean fruit fly.—The Committee recommends \$10,831,000 for Mediterranean fruit fly operations, an increase of \$400,000 over the budget request, \$1,102,000 more than the 1990 level, and \$1,350,000 less than the House allowance. The Committee concurs with the House in providing \$400,000 for the cost of releasing sterile flies on Kauai and expects APHIS to provide approximately 50 million sterile flies per week for this test eradication in Hawaii.

Noxious weeds.—The Committee recommends \$1,189,000 for noxious weeds. This amount is an increase of \$600,000 over the budget request and the House level. This level includes \$100,000 for hydrilla in Imperial County, CA, and \$600,000 for a common crupina eradication program in Idaho and Oregon. The common crupina funds should be made available to the Idaho and Oregon State Departments of Agriculture to be used in cooperation with the local counties and the University of Idaho for the eradication of common crupina.

Leafy spurge.—The Committee has included \$1,800,000 under biocontrol for the leafy spurge program begun in 1988.

Animal damage control.—The Committee recommends \$24,288,000 for the animal damage control operations. This amount is \$2,207,000 more than the 1990 level, and the same as the budget request and House level.

The Committee notes that the State of Alabama is currently served by the Mississippi office. In view of increased activity in those States, the Committee recommends that no less than \$100,000 of ADC funds be used to establish a separate office in Alabama, and expects a \$100,000 increase for the Mississippi office as well.

Furthermore, the Committee expects that an increase of \$100,000 will be used for cattail management in North Dakota for the control of blackbird depredation, and that the Arkansas State office will be funded at a level of \$240,000.

The Committee concurs with the House in maintaining all ongoing ADC programs with the activities cost shared by non-Federal participants. Special emphasis should be given to methods of controlling blackbird damage in rice producing areas of Louisiana especially the continuation of studies utilizing DRC-1339.

In addition, up to \$19,000 of existing funds should be used by APHIS to initiate control efforts for blasto-mycosis, a deadly disease which can infect both humans and dogs and has struck at least one major kennel in Louisiana. This work should be carried out in conjunction with Louisiana State University to identify and characterize the environment in southeast Louisiana important to the transmission of blastomyces dermatitides.

The Committee is concerned by reports that certain increases for ADC activities are not realized out in the field and expects APHIS to ensure that activities in the field receive highest priority.

The Committee believes that the program aimed at cormorants, other fish-eating birds, beaver damage to forest and crop lands, and other predators should continue to receive emphasis in the Delta

States due to the significant losses experienced by farmers in the region. The Committee emphasizes that this program should be available to all States in the region.

Funds appropriated for the animal damage control program shall not be used for other purposes at the expense of traditional on-the-ground predator control activities and State animal damage control programs.

Grasshopper and Mormon cricket.—The Committee recommends an appropriation of \$8,850,000 for the grasshopper and Mormon cricket programs. This amount is \$6,467,000 less than the 1990 level, \$2,772,000 more than the budget request, and the same as the House level. Of this amount, \$5,000,000 is for the reserve fund. The Committee directs that \$3,430,000 of the reserve fund be used to continue the integrated pest management project in Idaho and North Dakota in 1991.

Miscellaneous animal diseases.—The Committee recommendation includes no funds for scrapie in this category since a separate funding level has been designated. However, the amount does include up to \$30,000 for eastern filbert blight research at Oregon State University.

Russian wheat aphid.—The Committee recommends \$2,400,000 for work on controlling the Russian wheat aphid. The budget request included \$2,400,000 under biocontrol; therefore, that item is reduced by a like amount. The House provided the same amount but split it between the two categories. It is expected that this work will be carried out in cooperation with ARS, CSRS, and ES.

Animal welfare.—In concurrence with the House, \$9,688,000, an increase of \$2,224,000 above the 1990 level, is provided for animal welfare. The Committee fully supports the animal welfare inspection program and is very concerned about staff and cost consideration inhibiting the implementation of the 1985 amendments to the act. The Committee expects the intent of Congress to be followed and thus that strong, enforceable standards governing the handling, care, treatment, and transportation of animals be issued by APHIS.

BUILDINGS AND FACILITIES

Appropriations, 1990	\$13,385,000
Budget estimate, 1991	24,682,000
House allowance	21,396,000
Committee recommendation	25,396,000

This account funds major nonrecurring construction projects in support of specific program activities and recurring construction, alterations, and repairs of existing APHIS facilities.

COMMITTEE RECOMMENDATIONS

For buildings and facilities of the Animal and Plant Health Inspection Service, the Committee recommends an appropriation of \$25,396,000. This amount is \$12,011,000 more than the 1990 appropriation, \$4,000,000 more than the House level, and \$714,000 more than the budget request.

The Committee has provided the original budget request of \$25,396,000, which includes \$4,000,000 for the relocation and construction of the Denver Wildlife Research Center to Fort Collins, CO.

FOOD SAFETY AND INSPECTION SERVICE

Appropriations, 1990	\$421,298,000
Budget estimate, 1991	440,882,000
House allowance	440,882,000
Committee recommendation	440,882,000

The Food Safety and Inspection Service [FSIS] was established on June 17, 1981, by Secretary's Memorandum No. 1000-1 issued pursuant to Reorganization Plan No. 2 of 1953 (7 U.S.C. 2201).

The major objective of FSIS is to ensure that the Nation's commercial supply of meat and poultry products is safe, wholesome, and correctly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The Meat and Poultry Inspection Program of FSIS provides in-plant inspection of all domestic plants preparing meat or poultry products for sale or distribution in commerce; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs equal to that of the Federal Inspection Program.

COMMITTEE RECOMMENDATIONS

For the Food Safety and Inspection Service, the Committee recommends an appropriation of \$440,882,000. This amount is \$19,584,000 more than the amount provided in 1990, and the same as the budget estimate and the House level.

Despite withdrawal of the proposed improved processing inspection regulations in mid-1989, FSIS did not modify its 1990 budget request to Congress to reflect inspection program needs. Without the benefit of supplemental appropriations of \$4,400,000, the health and safety of the American public would have been severely compromised or meat and poultry plants nationwide would have had to shut down. To prevent the interruption of inspection services at any time during the 1991 fiscal year, the Committee directs the Department to inform the Appropriations Committees expeditiously of factors modifying its 1991 budget recommendation.

Emphasizing its concern about food safety, the Committee has reservations about plans to expand the streamlined inspection system [SIS] for cattle. The Committee directs FSIS, prior to implementation, to notify the House and Senate Appropriations Committees of any plan for expanding SIS, or SIS pilots, for cattle following the recommendations of the National Academy of Sciences, and further directs that FSIS shall not expand the program, in any event, prior to March 31, 1991. Notification will include detailed description of the impact of SIS implementation on FTE's, laboratory requirements, the frequency and number of inspections, the

number of plants affected, and appropriation requirements, including redistribution of program activities funding.

FEDERAL GRAIN INSPECTION SERVICE

SALARIES AND EXPENSES

Appropriations, 1990.....	\$8,185,000
Budget estimate, 1991.....	10,443,000
House allowance.....	9,706,000
Committee recommendation.....	9,706,000

The Federal Grain Inspection Service [FGIS] was established on November 20, 1976, to carry out and administer the provisions of the U.S. Grain Standards Act [USGSA] (Public Law 94-582). The mission of FGIS is to provide for the establishment of official U.S. standards for grain and other commodities, to promote the uniform application thereof by official inspection personnel, to provide for an official inspection system for grain, and regulate the weighing and certification of the weight of grain shipped in interstate or foreign commerce as authorized by the USGSA and the regulations thereof; and to carry out the delegated responsibilities under the Agricultural Marketing Act of 1946 [AMA].

The costs of nearly all field services and most headquarters activities are financed from fees charged for services performed. Compliance and standardization activities, international monitoring, and the FGIS Advisory Committee are financed from appropriations. The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain.

COMMITTEE RECOMMENDATIONS

For the Federal Grain Inspection Service, the Committee recommends an appropriation of \$9,706,000. This amount is \$1,521,000 more than the amount provided in 1990, \$737,000 less than the budget request, and the same as the House level.

INSPECTION AND WEIGHING SERVICES

Appropriations, 1990.....	\$36,340,000
Budget estimate, 1991.....	37,164,000
House allowance.....	37,164,000
Committee recommendation.....	37,164,000

The Federal Grain Inspection Service provides an official grain inspection and weighing system under the U.S. Grain Standards Act [USGSA], and official inspection of rice and grain related products under the Agricultural Marketing Act [AMA] of 1946. The USGSA was amended in 1981 to require the collection of user fees to fund the costs associated with the operation, supervision, and administration of Federal grain inspection and weighing activities.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$37,164,000 on the obligation of funds collected through user fees. The limitation is

\$824,000 more than the 1990 level and the same as the budget estimate and the House level.

The Committee concurs with House bill language granting authority to exceed the limitation on inspection and weighing services by 10 percent with notification to the House and Senate Appropriations Committees.

AGRICULTURAL COOPERATIVE SERVICE

Appropriations, 1990.....	\$4,714,000
Budget estimate, 1991.....	4,764,000
House allowance.....	4,864,000
Committee recommendation.....	4,864,000

The Agricultural Cooperative Service [ACS] is assigned functions under both the Cooperative Marketing Act of 1926 and functions that relate to the economic and marketing aspects of farmer cooperatives under the Agricultural Marketing Act of 1946. Under the Cooperative Marketing Act, ACS is authorized to: (1) acquire, analyze and disseminate economic, statistical, and historical information regarding the progress, organization, and business methods of cooperative associations in the United States and foreign countries; (2) conduct studies of the economic, legal, financial, social, and other phases of cooperation, including analyses of the organization, operation, financial, and merchandising problems of cooperative associations; (3) make surveys and analyses of the accounts and business practices of representative cooperative associations; (4) confer and advise producers who want to form a cooperative association and make economic analyses of facts relevant to establishing such an association; (5) promote knowledge about cooperative principles and practices; and (6) acquire and disseminate such information.

Under the Agricultural Marketing Act, ACS is authorized to carry out responsibilities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings. In addition, ACS is authorized to work with institutions and international organizations and to conduct research to aid new and existing cooperatives.

ACS serves as the focal point of national activity involving agricultural cooperatives. The purpose of ACS is to help farmers help themselves by providing the assistance necessary to support and improve existing cooperatives and to help farmers organize new cooperatives. The studies conducted by ACS, alone or in conjunction with other Federal or State institutions, are intended to provide farmers with information on economic, financial, organizational, legal, and social aspects of cooperative activity.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$4,864,000 for the Agricultural Cooperative Service. This amount is \$150,000 above the amount provided in 1990, \$100,000 more than the budget estimate, and the same as the House level.

The Committee has maintained bill language that earmarks \$99,000 for a field office in Hawaii.

AGRICULTURAL MARKETING SERVICE

The Agricultural Marketing Service [AMS] was established by the Secretary of Agriculture on April 2, 1972. AMS carries out programs authorized by some 31 different statutory authorities, the primary ones being the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627); the U.S. Cotton Standards Act (7 U.S.C. 51-65); the Cotton Statistics and Estimates Act (7 U.S.C. 471-476); the Tobacco Inspection Act (7 U.S.C. 511-511q); the Perishable Agricultural Commodities Act (7 U.S.C. 499a-499s); the Egg Products Inspection Act (21 U.S.C. 1031-1056); and section 32 (15 U.S.C. 713c).

The primary objective of AMS is to enhance the marketing and distribution of agricultural products from the Nation's farms. This is achieved through the collection and dissemination of market news information, the establishment of grading standards, inspection and grading services, and various marketing development programs. Approximately three-fourths of the funds needed to finance these activities are derived through user fees.

The Agricultural Marketing Service administers the following programs: Market news service; inspection, grading, and standardization services; market protection and promotion activities; wholesale market development; Federal-State Marketing Improvement Program; Perishable Agricultural Commodities Act; and strengthening markets, income, and supply (section 32). The fiscal year 1991 budget includes funding for pesticide residue testing for food safety. The AMS also provides program-related services for Federal, State, and private agencies on a reimbursable basis.

MARKETING SERVICES

Appropriations, 1990.....	\$33,171,000
Budget estimate, 1991.....	52,251,000
House allowance	47,914,000
Committee recommendation.....	47,914,000

COMMITTEE RECOMMENDATIONS

For marketing services, the Committee recommends an appropriation of \$47,914,000. This amount is \$14,743,000 more than the amount provided in 1990, \$4,337,000 less than the budget estimate, and the same as the House level.

A major food safety initiative calling for data collection and monitoring of pesticide residues in foods was proposed by the President to begin in fiscal year 1991. The Committee concurs with the House in recommending an increase of \$11,862,000 for the food safety initiative. These funds are provided with the understanding that the development and implementation of Federal and State pesticide monitoring programs will be coordinated with other USDA and Federal agencies, including the Food and Drug Administration and the Environmental Protection Agency. The Committee expects that coordination between Federal agencies involved in residue data collection and analysis, as well as research and inspection of foods, will avoid unnecessary duplication and promote essential data transfers necessary to a comprehensive food safety initiative.

The Committee notes that work on a regional terminal market in Maine has begun and expects its completion in 1991.

The House recommended a new evaluation for a farmer's market in Toledo, OH; the Senate does not concur with beginning a new project until several that are underway are completed.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 1990	\$37,440,000
Budget estimate, 1991	40,162,000
House allowance	40,162,000
Committee recommendation	40,162,000

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) initiated a system of user fees for the cost of grading and classing tobacco, cotton, naval stores, and for warehouse examination. These activities, authorized under the U.S. Cotton Standards Act, the Tobacco Inspection Act, the Naval Stores Act, the U.S. Warehouse Act, and other provisions of law are designed to facilitate commerce and to protect participants in the industry.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation on obligations from user fees for these activities of \$40,162,000. This amount is \$2,722,000 more than last year's level and the same as the House level and the budget request.

The Committee concurs with House bill language granting authority to exceed the limitation on administrative expenses by 10 percent with notification to the House and Senate Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(BY TRANSFER)

Appropriations, 1990	\$8,007,000
Budget estimate, 1991	8,526,000
House allowance	8,255,000
Committee recommendation	8,255,000

Under section 32 of the act of August 24, 1935 (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each preceding calendar year and unused balances up to \$300,000,000 are available for encouraging the domestic consumption and exportation of agricultural commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Additional transfers to the child nutrition programs of the Food and Nutrition Service have been provided in recent appropriation acts.

The section 32 program administered by the Agricultural Marketing Service consists of commodity purchases for the removal of surplus agricultural products and the subsequent donation of these products to domestic feeding programs; the administration of commodity contracting in the commodity purchase services activity; and the administration of marketing agreements and orders.

COMMITTEE RECOMMENDATIONS

The Committee recommends a transfer from section 32 funds of \$8,255,000 for the formulation and administration of marketing agreements and orders. This amount is the same as the House level, \$248,000 more than the 1990 transfer, and \$271,000 less than the budget request.

PAYMENTS TO STATES AND POSSESSIONS

Appropriations, 1990.....	\$1,236,000
Budget estimate, 1991.....	942,000
House allowance.....	1,250,000
Committee recommendation.....	1,250,000

The Federal-State Marketing Improvement Program is authorized by section 204(b) of the Agricultural Marketing Act of 1946, in which cooperative agreements are authorized between the U.S. Department of Agriculture and State departments of agriculture or similar State agencies. Beginning in fiscal year 1980, those projects funded were coordinated with the Wholesale Market Development Program. These agreements make possible joint Federal/State projects aimed at improving the efficiency of the agricultural marketing chain. The States contribute at least half of the cost of such projects. The work is performed either by State personnel or is contracted out to private industry.

Payments are made to State marketing agencies to assist in testing new marketing innovations to reduce the cost of marketing and seek means for providing more reliable market information, developing better quality commodity grading standards, and developing additional domestic and foreign market outlets. This program has covered such projects as: electronic marketing, telephone auction systems, maintaining and improving the quality of products, reducing marketing costs, expanding outlets for products, collecting and disseminating special State and local market information and statistics, and improving the organizational structure of the marketing system.

COMMITTEE RECOMMENDATIONS

In order to establish new domestic markets for American agricultural products, to expand existing markets, to promote product diversification, and to support new marketing technologies, the Committee provides \$1,250,000 for payments to States and possessions for Federal-State marketing projects. This is the same amount proposed by the House, \$14,000 above the 1990 level, and \$308,000 above the budget request.

OFFICE OF TRANSPORTATION

Appropriations, 1990.....	\$2,397,000
Budget estimate, 1991.....	2,429,000
House allowance.....	2,429,000
Committee recommendation.....	2,429,000

The Office of Transportation [OT] was established by Secretary's Memorandum 1966 on December 12, 1978. The Office consolidated

several transportation functions of the Department of Agriculture in an attempt to solve problems of United States and world agricultural problems.

Activities of the Office of Transportation have been centered on providing technical assistance to shippers and carriers, providing research, development, and demonstrations of agricultural transport equipment, analyzing the unique transportation needs of rural America, and representing the Department of Agriculture in regulatory actions involving various Federal departments and agencies.

COMMITTEE RECOMMENDATIONS

For the Office of Transportation, the Committee recommends an appropriation of \$2,429,000. This amount is \$32,000 more than the 1990 level and the same as the budget request and the House level.

The Committee expects to be notified of any reorganization plan affecting the Office of Transportation prior to its implementation.

PACKERS AND STOCKYARDS ADMINISTRATION

Appropriations, 1990.....	\$9,562,000
Budget estimate, 1991.....	10,687,000
House allowance.....	10,687,000
Committee recommendation.....	10,687,000

The Packers and Stockyards Administration [P&SA] was reestablished by Secretary's Memorandum No. 1000-1, of June 17, 1981, and administers the Packers and Stockyards Act of 1921. The agency carries out the Secretary's responsibilities under section 1324 of the Food Security Act of 1985 covering central filing systems established by States for prenotification of security interests against farm products. The agency also has responsibility for persons and firms subject to the Packers and Stockyards Act for the Truth-in-Lending Act, the Fair Credit Reporting Act, and Freedom of Information Act.

The principal purpose of the Packers and Stockyards Administration programs is to assure the integrity of the livestock, meat, and poultry markets and the marketplace. This includes fostering fair and open competition and guarding against deceptive and fraudulent practices which affect the movement and price of meat animals and the products therefrom. The work of the agency is also aimed at protecting consumers and members of the livestock, meat, and poultry industries against unfair business practices which can unduly affect meat and poultry distribution and prices.

The Food Security Act of 1985 permits the States to establish central filing systems for the purpose of prenotifying buyers, commission merchants, and seller agents of security interests against farm products. It is the responsibility of the Packers and Stockyards Administration to issue regulations and to certify those systems which meet the criteria set forth in the statute.

In 1987 the Packers and Stockyards Act was amended to provide financial protection to poultry growers and sellers, and to clarify Federal jurisdiction under the act. The act is cited as the Poultry Producers Financial Protection Act of 1987 (Public Law 100-173).

COMMITTEE RECOMMENDATIONS

For the Packers and Stockyards Administration, the Committee recommends an appropriation of \$10,687,000, \$1,125,000 more than the 1990 level and the same as the budget estimate and the House level.

FARM INCOME STABILIZATION

OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS

Appropriations, 1990.....	\$414,000
Budget estimate, 1991.....	¹ 506,000
House allowance	506,000
Committee recommendation.....	506,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Under Secretary for International Affairs and Commodity Programs administers the laws enacted by the Congress for the Foreign Agricultural Service, Agricultural Stabilization and Conservation Service, the Commodity Credit Corporation, and the Office of International Cooperation and Development.

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for International Affairs and Commodity Programs, the Committee recommends an appropriation of \$506,000. This amount is \$92,000 more than the 1990 level and the same as the budget request and the House level.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service [ASCS] was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended (5 U.S.C. 901-913). The warehouse examination function was transferred from the Agricultural Marketing Service to ASCS under Secretary's Memorandum 1020-15, effective May 13, 1984. The U.S. Warehouse Act (7 U.S.C. 241-273) is the legislative authority for this program. The Food Security Act of 1985, enacted on December 23, 1985, provided for changes to several existing programs and required the implementation of many new programs, primarily those operated through the Commodity Credit Corporation.

The ASCS conducts its programs in the field through a number of offices. Agricultural Stabilization and Conservation State and county committees are responsible for local administration of a variety of programs dealing directly with the farmer. Through the farmer-elected agricultural stabilization and conservation [ASC] county committees, ASCS also obtains recommendations and advice in the formulation of program plans and policies. There are 50 ASC State committees, an ASC committee in Puerto Rico, and 3,054 county committees. The Washington headquarters offices and the Kansas City field offices are the principal staff offices for carrying out activities of the Commodity Credit Corporation [CCC]. Such

functions include accounting for loans and purchases; acquisition, management, storage, and disposition of commodities; and related transportation and accounting activities.

ASCS licenses warehouses and performs inspections of these facilities, for a fee, to reduce the risk of financial loss to depositors storing commodities at licensed facilities. Inspections are also performed on nonlicensed facilities that have storage contracts with CCC for commodities owned by or pledged as collateral to CCC.

SALARIES AND EXPENSES

(BY TRANSFER)

	<i>Transfer from CCC</i>
Allotment, 1990.....	\$623,732,000
Budget estimate, 1991.....	630,406,000
House allowance.....	630,406,000
Committee recommendation.....	630,406,000

¹ Excludes direct appropriation of \$11,000,000 for disaster payments to sugar producers.

The account "Salaries and expenses, Agricultural Stabilization and Conservation Service," funds the administrative expenses of program administration and other functions assigned to ASCS. The funds consist of transfers from the Commodity Credit Corporation [CCC] and miscellaneous advances from other sources. These transfers consolidate all administrative funds used by ASCS into one account. The consolidation provides clarity and better management and control of funds, and facilitates accounting, fiscal, and budgetary work by eliminating the necessity for making individual allocations and allotments and maintaining and recording obligations and expenditures under numerous separate accounts.

Activities carried out under this program include program formulation and appraisal; operation of supply adjustment, conservation, and price support programs; inventory management and merchandising; and warehouse examination.

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Agricultural Stabilization and Conservation Service, the Committee recommends that \$630,406,000 be transferred from the Commodity Credit Corporation. This amount is \$6,674,000 more than was provided in 1990 and the same as the budget estimate and the House level.

DAIRY INDEMNITY PROGRAM

Appropriations, 1990.....	\$5,000
Budget estimate, 1991.....	
House allowance.....	5,000
Committee recommendation.....	5,000

Under this program, the Department makes indemnification payments to dairy farmers and manufacturers of dairy products who, through no fault of their own, suffer losses because they are directed to remove their milk from commercial markets due to contamination of their products by registered pesticides. The program also authorizes indemnity payments to dairy farmers for losses result-

ing from the removal of cows or dairy products from the market due to nuclear radiation or fallout.

COMMITTEE RECOMMENDATIONS

For the Dairy Indemnity Program, the Committee recommends \$5,000. This amount is the same as the 1990 and House levels. No funds were requested in the President's budget.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

Appropriations, 1990	\$237,694,000
Budget estimate, 1991	325,857,000
House allowance	101,579,000
Committee recommendation	325,857,000

The Federal Crop Insurance Corporation [FCIC], a wholly owned Government corporation, was created on February 16, 1938 (7 U.S.C. 1501-1520), to carry out the provisions of the Federal Crop Insurance Act. The purpose of the Corporation is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance.

The Federal Crop Insurance Corporation provides a cost-sharing insurance program for agricultural producers to protect their production investment against unavoidable risks. The crop insurance program constitutes a joint effort by the private insurance industry and the Government. The private insurance companies and agents are being utilized in the delivery of the program to the farmers.

The Federal Crop Insurance Program comprises the following major activities: (1) underwriting, actuarial, and program development which consists of the development of crop insurance programs and the establishment and maintenance of rates and coverages for crops in each county; (2) reinsured companies, which covers the insurance companies' costs of insurance marketing, distribution, servicing, training, quality control, and loss adjustment functions. The companies also share with FCIC, to a limited extent, both profits and losses; (3) agency sales and service agreements and loss adjustment contracts consist of what is commonly referred to as master marketing agreements and the loss adjustment contracts associated with direct insurance operations. Under this type of agreement, private insurance companies and associations are offered the opportunity to contract with FCIC to provide insurance sales and services. Also included are amounts necessary for the loss adjustment activities contracted by FCIC, which are associated with these contracts; (4) compliance consists of reviews of the activities of the reinsured companies to assure compliance and uniformity in loss adjustment procedures, training development, quality control methods utilized and, in general, all service operating facets of the crop insurance program; (5) program management and administrative support consists of the contract administration and marketing for the dual delivery system of crop insurance as well as

administrative support in financial, management services, and personnel management for FCIC.

The various crop insurance programs are planned, developed, and monitored by the FCIC headquarters office located in Washington, DC, and its national operations office located in Kansas City, MO. The program is administered in the field through 18 field operations offices and 11 field actuarial offices. Selling and servicing at the county level is performed primarily by agents operating under agency sales and service agreements (master marketing agreements) and agents of reinsured companies. The adjustment of losses is performed primarily by adjusters and reinsured companies under contract with FCIC. Also, ASCS performs some support on a reimbursable basis for the Corporation.

COMMITTEE RECOMMENDATIONS

For administrative and operating expenses of the Federal Crop Insurance Corporation, the Committee recommends an appropriation of \$325,857,000. This amount is \$88,163,000 more than the amount provided in 1990, the same as the budget estimate, and \$224,278,000 more than the House level.

The Committee notes the votes of support by the House and Senate in deliberations on the 1990 farm bill and, therefore, does not concur with the House which provided for no new insurance policies after September 30, 1990.

FCIC FUND

Appropriations, 1990.....	\$162,939,000
Budget estimate, 1991.....	337,365,000
House allowance.....	162,939,000
Committee recommendation.....	337,365,000

The Federal Crop Insurance Act of 1980, as amended, authorizes the payment of up to 30 percent of the adjusted insurance premium paid by agricultural producers participating in the program. Subsidies will be paid by the Corporation based upon 30 percent of the risk premium (reduced, where applicable, for hail and fire exclusion) on any coverage under the Corporation's policy of insurance of up to a maximum of 65 percent of the recorded or appraised yield, encouraging the broadest possible participation of agricultural producers in the program.

COMMITTEE RECOMMENDATIONS

For the FCIC fund, the Committee recommends an appropriation of \$337,365,000 which is \$174,426,000 more than the amount available in 1990 and the House level, and the same as the budget request.

COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation [CCC] is a wholly owned Government corporation created in 1933 to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities, including products, foods, feeds, and fibers; and to help in the orderly distribution of

these commodities. CCC was originally incorporated under a Delaware charter and was reincorporated June 30, 1948, as a Federal corporation within the Department of Agriculture by the Commodity Credit Corporation Charter Act, approved June 29, 1948 (15 U.S.C. 714).

The principal operations conducted by CCC are support programs for agricultural commodities, including the storage, handling, and disposition of commodities acquired under the programs; set-aside or acreage reduction, loan deficiency, deficiency, disaster, and/or diversion payment programs for feed grains, wheat, rice, and cotton; certificate programs; a conservation reserve program; and special activities, such as those under the Agricultural Trade Development and Assistance Act of 1954, (Public Law 480), which are financed by appropriations authorized by statutes providing for these activities. Under the Food for Peace Act of 1966, CCC may finance short-term export sales on credit terms not to exceed 3 years, and intermediate-term export credit sales in excess of 3 years, but not more than 10 years. The Corporation is also authorized under its charter to enter into export guarantee financing arrangements with respect to exported commodities.

Management of the Corporation is vested in a board of directors, subject to the general supervision and direction of the Secretary of Agriculture, who is an ex-officio director and chairman of the board. The board consists of seven members, in addition to the Secretary, who are appointed by the President of the United States with the advice and consent of the Senate. Officers of the Corporation are designated according to their positions in the Department of Agriculture.

The activities of the Corporation are carried out mainly by the personnel and through the facilities of the Agricultural Stabilization and Conservation Service [ASCS] and the Agricultural Stabilization and Conservation [ASC] State and county committees. The Foreign Agricultural Service, the General Sales Manager, other agencies and offices of the Department, and commercial agents are also used to carry out certain phases of the Corporation's activities.

The Corporation's capital stock of \$100,000,000 is held by the United States. Under present law up to \$30,000,000,000 may be borrowed from the U.S. Treasury, from private lending agencies, and from others, at any one time. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury.

Under Public Law 87-155 (15 U.S.C. 713a-11, 713a-12), annual appropriations are authorized for each fiscal year, commencing with fiscal year 1961. These appropriations are to reimburse the Corporation for net realized losses.

REIMBURSEMENT FOR NET REALIZED LOSSES

Appropriations, 1990	\$4,233,000,000
Budget estimate, 1991	¹ 6,100,000,000
House allowance	5,000,000,000
Committee recommendation	5,000,000,000

¹ Amount proposed to be reimbursed through an indefinite appropriation.

COMMITTEE RECOMMENDATIONS

For reimbursement for net realized losses, the Committee recommends \$5,000,000,000. This amount is \$767,000,000 more than was provided in 1990 and the same as the House level. The budget requested a current indefinite appropriation and estimated that \$6,100,000,000 will be necessary to reimburse the Corporation for net realized losses.

The Committee believes that if clean fuels are to play a significant role in the President's clean air initiative, production must increase dramatically in the coming years. The Committee recognizes that the Louisiana Department of Agriculture and the State of Nebraska are conducting studies of the economic advantages of utilizing offgrade, nonfood grain for clean fuel. Iowa State University is examining the ability to use Aflatoxin contaminated and other out of condition grain for the production of ethanol. The Department of Agriculture and the Department of Energy should support these programs. Accordingly, these funds shall be used to gather and relocate offgrade grains to approved sites designated by the States of Iowa and Nebraska, and the Louisiana Department of Agriculture. The grain would be sold to facilities engaged in the production of clean fuels. The research should focus on the economic feasibility of relocating the grain as well as using the byproducts for livestock feed. The Commodity Credit Corporation has the authority to use offgrade grain for clean fuel production and the Committee strongly urges that the CCC made available not less than 15 million bushels of offgrade grain for this research project to be sold under normal CCC regulations.

SHORT-TERM EXPORT CREDIT

The Committee concurs with the House provision of \$5,000,000,000 for short-term export credit guarantees which will be available to eligible countries for up to 3 years. The Committee provision is identical to the provisions of section 1125 of Public Law 99-198 and is required by law.

INTERMEDIATE-TERM EXPORT CREDIT

The Committee provides \$500,000,000 for intermediate-term export credit guarantees which will be available to eligible countries. This is the same amount provided by the House. The Committee's provision is identical to the provisions of section 1131 of Public Law 98-198 and is required by law.

GENERAL SALES MANAGER

(BY TRANSFER)

Allotment, 1990.....	\$7,415,000
Budget estimate, 1991.....	8,090,000
House allowance	7,803,000
Committee recommendation.....	7,803,000

The General Sales Manager was established pursuant to section 5(f) of the charter of the Commodity Credit Corporation and 15 U.S.C. 714-714p. The funds allocated to the General Sales Manager are used for conducting the following programs: (1) CCC Export Credit Guarantee Program (GSM-102), (2) Intermediate Credit Guarantee Program (GSM-103), (3) Public Law 480, (4) section 416 Overseas Donations Program, (5) Export Enhancement Program, (6) Targeted Export Assistance Program, and (7) programs authorized by the Commodity Credit Corporation Charter Act including barter, export sales of most CCC-owned commodities, export payments, and other programs as assigned to encourage and enhance the export of U.S. agricultural commodities.

COMMITTEE RECOMMENDATIONS

For the General Sales Manager, the Committee recommends a transfer of \$7,803,000 from Commodity Credit Corporation funds, the same as the House level. This amount is \$388,000 more than the amount available for fiscal year 1990 and \$287,000 less than the budget request.

TITLE II—RURAL DEVELOPMENT AND ASSISTANCE PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT

Appropriations, 1990	\$419,000
Budget estimate, 1991	¹ 660,000
House allowance	530,000
Committee recommendation	530,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Under Secretary for Small Community and Rural Development provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's small community and rural development activities and crop insurance programs. The Office has oversight and management responsibilities for the Farmers Home Administration, Rural Electrification Administration, and the Federal Crop Insurance Corporation.

COMMITTEE RECOMMENDATION

For the Office of the Under Secretary for Small Community and Rural Development, the Committee recommends \$530,000. This amount is \$111,000 more than the 1990 level, \$130,000 less than the budget request, and the same as the House level.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration provides credit for those in rural America who are unable to get credit from other sources at reasonable rates and terms. Loan programs are administered through the Agricultural Credit Insurance Fund, the Rural Housing Insurance Fund, the Rural Development Insurance Fund, and the Rural Development Loan Fund. The agency also administers several grant programs.

The agency was established by the Farmers Home Administration Act of 1946 and operates principally under the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1921 et seq.) and title V of the Housing Act of 1949, as amended (42 U.S.C. 1471 et seq.).

The Farmers Home Administration makes loans from funds borrowed from the U.S. Treasury.

COMMITTEE RECOMMENDATIONS

The following table reflects the loan and grant program levels of programs administered by the agency in 1990, proposed in the budget for 1991, and recommended by the Committee:

LOAN AND GRANT LEVELS

[In thousands of dollars]

	1990 level	1991 budget	House allowance	Committee recommendation
Rural housing insurance fund:				
Low-income housing loans (sec. 502):	1,261,496	589,000	1,262,210	1,190,693
Unsubsidized direct loans	49,308	20,000	50,000	50,000
Unsubsidized guaranteed loans		297,000		
Subsidized guaranteed loans		297,000	100,000	100,000
Rural housing development loans (sec. 524)	562		600	600
Rural rental housing loans (sec. 515)	571,870	391,000	573,900	573,900
Very low income repair loans (sec. 504)	11,173	11,100	11,330	11,330
Domestic farm labor loans	11,321	16,250	16,300	16,300
Subtotal, Rural housing insurance fund	1,905,730	1,621,350	2,014,340	1,942,823
Rural rental assistance payments	296,317	258,000	308,100	308,100
Self-help housing land development fund	500		500	500
Agricultural credit insurance fund:				
Farm ownership loans:				
Direct	80,000	25,000	66,500	
Fiscal Year 1990 Act		13,500	13,500	13,500
Guaranteed	469,279	150,000	475,500	542,000
Soil and water loans:				
Direct	5,500		5,500	5,500
Guaranteed	1,480		1,500	1,500
Indian land acquisition loans	1,000		1,000	1,000
Farm operating loans:				
Direct	900,000	500,000	950,000	850,000
Guaranteed	2,565,985	2,600,000	2,600,000	2,600,000
Emergency loans	579,136	25,000	600,000	600,000
Watershed and flood prevention loans	4,000		4,000	4,000
Resource conservation and development loans	600		600	600
State mediation grants	3,456	2,000	3,500	4,000
Subtotal, agricultural credit insurance fund	4,610,436	3,315,500	4,721,600	4,622,100
Rural development insurance fund:				
Water and waste disposal loans	350,293	300,000	500,000	500,000
Guaranteed	74,465	50,000	35,000	35,000
Community facility loans	94,381	45,700	100,000	100,000
Guaranteed	23,829	50,000	25,000	25,000
Rural industrialization loans (guaranteed)	95,018		100,000	100,000
Subtotal, rural development insurance fund	637,986	445,700	760,000	760,000
Rural development loan fund	19,297	30,000	25,000	40,000
Water and waste disposal grants	207,700	100,000	300,000	300,000
Home repair grants	12,500	10,000	12,500	12,500
Rural housing for domestic farm labor	10,862	10,000	11,000	11,000
Mutual and self-help housing grants	8,634		8,750	8,750
Rural community fire protection grants	3,091		3,500	3,500
Compensation for construction defects	500		500	500
Preservation grants	19,140	15,000	23,000	23,000
Rural development grants	16,406		16,500	25,000
Rural rental assistance (voucher program)		189,928		
Solid waste management grants				3,000

LOAN AND GRANT LEVELS—Continued

[In thousands of dollars]

	1990 level	1991 budget	House allowance	Committee recommendation
Emergency community water assistance grants.....				20,000
Subtotal, grants and payments.....	298,139	354,928	400,750	447,250
Total, loans, grants, and payments.....	7,749,099	5,995,478	8,205,290	8,080,773

RURAL HOUSING INSURANCE FUND

The Rural Housing Insurance Fund was established under the authority contained in section 1003(a) of the Housing and Urban Development Act of 1965 (Public Law 89-117), approved August 10, 1965. Public Law 89-117 authorized an appropriation of such sums as may be necessary for the purposes of the fund.

This fund may be used to insure or guarantee rural housing loans; loans for purchasing new or existing rural homes, loans for modernizing or improving rural dwellings, especially in order to make them safer or more sanitary; loans for rural rental and cooperative housing; farm labor housing loans; rural housing site loans; and mobile home park loans. Beginning in fiscal year 1978, rental assistance payments were made from the fund. Loan programs are limited to rural areas which include towns, villages and other places of not more than 10,000 population, which are not part of an urban area, and areas with a population in excess of 10,000 but less than 20,000 if such area is not included in a standard metropolitan statistical area [SMSA] and has a serious lack of mortgage credit for low- and moderate-income borrowers.

This fund provides a variety of loans, within the income categories mentioned, including the following low-income housing assistance: subsidized loans for repairs, general purpose loans, domestic farm labor loans, and rental or cooperative loans. Unsubsidized loans for low-income persons include general purpose loans, site loans, and certain repair loans.

HOUSING LOANS

	Insured	Guaranteed	Total
Loan levels, 1990.....	\$1,905,730,000		\$1,905,730,000
Budget estimate, 1991.....	1,027,350,000	\$594,000,000	1,621,350,000
House allowance.....	1,914,340,000	100,000,000	2,014,340,000
Committee recommendation.....	1,842,823,000	100,000,000	1,942,823,000

Very low-income housing repair loans (section 504).—Loans are made to eligible very low-income applicants who are owners of farms or nonfarm rural property, for the purpose of improving or modernizing a rural dwelling, making the dwellings safer or more sanitary, or removing hazards. The Secretary determines the maximum amount of the loan. These secured loans are made at 1 per-

cent interest and are repayable within 20 years, except that a loan for less than \$2,500 need only be secured by a promissory note.

Rural housing building and repair loans (section 502).—Loans are made to enable eligible low-income applicants to purchase, construct, improve, alter, repair, or replace dwellings in rural areas, if their need for necessary housing cannot be met with financial assistance from other sources. Not less than 40 percent of the funding authorized nationally shall be set aside and 30 percent in each State will be available for very low-income families. These loans bear a note rate based on the cost of money to the Treasury with provisions for interest credit which may reduce the interest rate to as low as 1 percent under certain circumstances. Such loans may not exceed amounts necessary to provide adequate housing, modest in size, design, and cost.

Rural rental and cooperative building loans (section 515).—Loans are authorized to be made to individuals, corporations, Indian tribes, associations, public bodies, trusts, or partnerships to provide moderate cost rental or cooperative housing and related facilities for elderly or handicapped persons or families and other persons of low and moderate income in rural areas. Repaired or rehabilitated rental projects are encouraged in order to provide affordable housing. These loans are repayable in not more than 50 years and currently bear a note rate based on the cost of money to the Treasury with provision for interest credit to tenants which may reduce the interest rate to as low as 1 percent under certain circumstances. These loans are made only if the need for necessary housing cannot be met with financial assistance from other sources except in the case of public bodies.

The Farmers Home Administration has in the past made its rural rental housing loans in conjunction with the Department of Housing and Urban Development's section 8 Rent Subsidy Program. Loans made for units that will receive section 8 assistance bear an interest rate that is reduced either 1 or 2 percent below the unsubsidized rate, depending upon the circumstances of the individual project.

Farm labor housing loans (section 514).—Loans are authorized to be made to a farm owner, to certain public or broad-based private nonprofit organizations, public bodies, or to a nonprofit organization of farm workers to provide modest living quarters, basic household furnishing, and related facilities, including land necessary for an adequate site, for domestic farm labor. Loans will be made based on a determination of need considering housing needs of domestic farm labor, including migrant farm workers in the area, without regard to other housing needs in the area. These loans are repayable in not more than 33 years and bear interest not in excess of 1 percent, except under certain circumstances. Loans to organizations may be made simultaneously with farm labor housing grants which are discussed elsewhere in this report.

Rural housing site loans (section 524) (unsubsidized).—Loans are made for purchase and development of land to be subdivided into building sites for low to moderate income housing borrowers and rural rental and cooperative housing borrowers. Insured loans are made at a note rate based on the cost of money to the Treasury, and are repayable in 2 years.

COMMITTEE RECOMMENDATIONS

For housing loans, the Committee recommends a level of \$1,942,823,000. This amount is \$37,093,000 more than the 1990 level, \$71,517,000 less than the House allowance, and \$321,473,000 more than the budget request.

The table at the beginning of the Farmers Home Administration section of this report illustrates the distribution of these funds among the various housing programs.

The President's budget proposed a housing voucher program funded at \$189,928,000. The Committee rejects this proposal.

RURAL RENTAL ASSISTANCE PAYMENTS

Limitation, 1990	\$296,317,000
Budget estimate, 1991	258,000,000
House allowance	308,100,000
Committee recommendation	308,100,000

The Housing and Community Development Act of 1974 established a Rural Rental Assistance Program to be administered by Farmers Home Administration through the Rural Housing Insurance Fund.

The objective of the program is to reduce rents paid by low-income families living in FmHA-financed rental projects and farm labor housing facilities. Under this program, low-income tenants will contribute the higher of (1) 30 percent of monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payments from a welfare agency.

Payments from the fund are made to the project owner for the difference between the tenant's payment and the approved rental rate established for the unit.

The program is administered in tandem with FmHA section 515 rural rental and cooperative housing programs, and the farm labor loan and grant programs. Priority will be given to existing projects for units occupied by low-income families to extend expiring contracts or provide full amounts authorized to existing contracts; any remaining authority will be used for projects receiving new construction commitments under sections 514, 515, or 516 for very low-income families with certain limitations.

COMMITTEE RECOMMENDATIONS

For rural rental assistance payments, the Committee recommends an authorization of \$308,100,000 which is \$11,783,000 more than the amount available in fiscal year 1990, \$50,100,000 above the budget request, and the same as the House level.

INTEREST SUBSIDY FOR GUARANTEED LOANS

Appropriation, 1990	
Budget estimate, 1991	\$362,460,000
House allowance	
Committee recommendation	

The budget request proposed a new program of \$297,000,000 in subsidized guaranteed loans for low-income rural housing. The re-

quest stated that the interest subsidy will range from 3 to 8.5 percent, but will average no more than 5 percent. The appropriation request for the interest subsidy was based on the subsidy required for the entire 40-year life of the loan. The Committee does not concur with this proposal and will expect any interest subsidy on loans to be paid from the revolving fund, the same as is the case for every other loan program.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND OTHER LOSSES

Appropriations, 1990	\$2,677,897,000
Budget estimate, 1991	2,667,186,000
House allowance	2,167,186,000
Committee recommendation	2,667,186,000

This appropriation will reimburse the Rural Housing Insurance Fund [RHIF] for funded interest subsidies and losses incurred in fiscal year 1988. Section 521(c)(1) of the Housing Act of 1949, as amended, authorizes annual appropriations to the Rural Housing Insurance Fund of the amounts by which interest payments made from the fund to investors in insured loans exceed the interest due from borrowers. In addition, section 517(e) of the act authorizes appropriations to restore all other losses to the fund. The amount requested is exclusive of provision for future losses, unfunded costs, and imputed interest.

COMMITTEE RECOMMENDATIONS

For reimbursement for interest subsidies and other losses, the Committee recommends an appropriation of \$2,667,186,000. This amount is \$10,711,000 less than was provided in 1990, the same as the budget estimate, and \$500,000 more than the House level.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

Loan level, 1990	\$500,000
Budget estimate, 1991	
House allowance	500,000
Committee recommendation	500,000

This fund is authorized by section 523(b)(1)(B) of the Housing Act of 1949, as amended. It is used as a revolving fund for making loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to eligible families, nonprofit organizations, and cooperatives.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$500,000 for self-help housing land development loans. There was no budget request. This level is the same as the 1990 amount and the House recommendation.

AGRICULTURAL CREDIT INSURANCE FUND

The Agricultural Credit Insurance Fund is used to insure or guarantee farm ownership, soil and water, farm operating, and emergency loans to individuals, as well as the following types of loans to associations: irrigation and drainage, grazing, Indian tribe

land acquisition, watershed protection, flood prevention, and resource conservation and development. The insurance endorsement on each insured loan may include an agreement by the Government to purchase the loan after a specified initial period.

FmHA is also authorized to provide financial assistance to borrowers by guaranteeing loans made by private lenders having a contract of guarantee from FmHA as approved by the Secretary of Agriculture.

wing programs are financed through this fund:

Farm ownership loans.—Made to borrowers who cannot obtain credit elsewhere to restructure their debts, improve or purchase farms, refinance nonfarm enterprises which supplement but do not supplant farm income, or make additions to farms. An insured loan may not exceed \$200,000 and a guaranteed loan may not exceed \$300,000. Loans are made for 40 years or less.

Farm operating loans.—Provide short-to-intermediate term production or chattel credit to farmers who cannot obtain credit elsewhere, to improve their farm and home operations, and to develop or maintain a reasonable standard of living. An insured loan may not exceed \$200,000 and a guaranteed loan is limited to \$400,000. The term of the loan varies from 1 to 7 years.

Emergency disaster loans.—Made available in designated areas (counties) and in contiguous counties where property damage and/or severe production losses have occurred as a direct result of a natural disaster. Areas may be declared by the President or designated for emergency loan assistance by the Secretary of Agriculture. The loan may be up to \$500,000.

Soil and water conservation loans.—Made to individuals, cooperatives, corporations, or partnerships who own and/or operate a farm, for land and water development, use and conservation. The loan limit is \$200,000 for an insured loan and \$300,000 for a guaranteed loan. The repayment period may be up to 40 years.

Indian tribe land acquisition loans.—Made to qualified Indian tribes or tribal corporations to acquire land or interests in land within the tribes' reservations or Alaskan Indian community, as determined by the Secretary of the Interior, for use of the tribe or the corporation or the members thereof. Loans are made for 40 years or less.

Watershed protection and flood prevention loans.—Made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations for financing the local share of the cost of installing or repairing works of improvement and water storage facilities, purchasing sites or rights-of-way, and covering related costs. Loans are for not more than 50 years and not more than \$10,000,000 for any single plan.

Resource conservation and development loans.—Made to local sponsoring organizations when needed for financing the local share of the cost of installing, repairing, or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs in approved resource conservation and development projects. No loan may be made until the Soil Conservation Service and the local organization have agreed on a plan for development work. These loans are repayable in not more than 30 years.

FARM OWNERSHIP LOANS

	Insured	Guaranteed	Total
Loan level, 1990	\$80,000,000	\$469,279,000	\$549,279,000
Budget estimate, 1991	38,500,000	150,000,000	188,500,000
House allowance	¹ 80,000,000	475,500,000	542,000,000
Committee recommendation	¹ 13,500,000	542,000,000	542,000,000

¹ \$13,500,000 was made available by Public Law 100-161.

Subtitle A of the Consolidated Farm and Rural Development Act contains authorizations for farm ownership loans. Farm ownership loans are used for maintaining the family farm by helping owner-operators to restructure their debts or make adjustments in their operations to comply with local sanitation or other requirements, to keep up with advances in agricultural technology, or to better use their land and labor resources to meet changing market requirements. Ownership loans are also used to purchase and develop farms, especially for beginning farmers.

COMMITTEE RECOMMENDATIONS

The Committee is recommending a total program level of \$542,000,000 for farm ownership loans. This amount is \$7,279,000 less than the amount available in fiscal year 1990, \$353,500,000 more than the budget request, and the same as the House level.

OPERATING LOANS

	Insured	Guaranteed	Total
Loan level, 1990	\$900,000,000	\$2,565,985,000	\$3,465,985,000
Budget estimate, 1991	500,000,000	2,600,000,000	3,100,000,000
House allowance	950,000,000	2,600,000,000	3,550,000,000
Committee recommendation	850,000,000	2,600,000,000	3,450,000,000

Subtitle B of the Consolidated Farm and Rural Development Act contains the authorization for insured and guaranteed operating loans. These loans are accompanied by supervisory assistance in farm and financial management. Operating credit is needed by family farmers throughout the United States who are unable to obtain credit from private and cooperative sources. This helps to provide opportunity for farm operators and encourage farm families to remain in rural areas.

COMMITTEE RECOMMENDATIONS

The Committee is recommending a total program level of \$3,450,000,000 for operating loans. This amount is \$350,000,000 more than the budget request, \$15,985,000 less than the amount available in 1990, and \$100,000,000 less than the House level. Within the total program level, \$850,000,000 is recommended for insured operating loans, and \$2,600,000,000 is recommended for guaranteed operating loans.

REAL ESTATE LOANS (OTHER THAN FARM OWNERSHIP)

	Insured	Guaranteed	Total
Loan level, 1990.....	\$6,500,000	\$1,480,000	\$7,980,000
Budget estimate, 1991.....			
House allowance.....	6,500,000	1,500,000	8,000,000
Committee recommendation.....	6,500,000	1,500,000	8,000,000

These loans include Indian land acquisition loans, and soil and water loans. Indian land acquisition loans are made to Indian tribes or tribal corporations to acquire lands or an interest in lands within the tribe's reservation or Alaskan Indian community. Soil and water loans are made to owners and/or operators of farms to fund soil conservation and development, forestation, drainage of farm land, establishment of a permanent pasture, pollution control or energy-saving measures.

COMMITTEE RECOMMENDATIONS

For real estate loans, other than farm ownership loans, the Committee recommends \$8,000,000. Included in this program level is \$5,500,000 for insured soil and water loans, \$1,500,000 for guaranteed soil and water loans, and \$1,000,000 for insured Indian land acquisition loans. These levels are the same as the House levels. There was no budget request. They are also the same levels as provided in 1990, with the exception of a \$20,000 increase for guaranteed soil and water loans.

The Committee would like to clarify the intent of section 1120 of the Water Resources Development Act of 1986 (Public Law 99-662) that authorized the Hilltop Irrigation District and the Gray Goose Irrigation District in South Dakota as units of Pick-Sloan Missouri Basin Program [P-S MBP] to be administered by the Secretary of the Interior. The Committee believes that this includes the districts' eligibility to receive P-S MBP power and the administrative transfer of their respective Farmers Home Administration loans to the Secretary of the Interior without appropriation or transfer of funds for the repayment of eligible costs pursuant to reclamation law.

SOIL CONSERVATION LOANS

Loan level, 1990.....	\$4,600,000
Budget estimate, 1991.....	
House allowance.....	4,600,000
Committee recommendation.....	4,600,000

Public Law 92-419, approved August 30, 1972, provided for making insured loans for watershed works of improvement, flood prevention, and resource conservation and development.

Watershed and flood prevention loans are made to local organizations for financing the local share of the cost of installing or repairing works of improvement and water storage facilities, purchasing sites or rights-of-way and covering related costs. Loans are repayable in not more than 50 years at an interest rate based on

the average rate paid by the U.S. Treasury on obligations of similar maturity.

Resource conservation and development loans are made to sponsors of projects approved for operation by the Soil Conservation Service. Such loans are repayable in not more than 30 years, and bear interest at a rate based on the average rate paid by the Treasury on issues of similar maturity.

COMMITTEE RECOMMENDATION

For soil conservation loans, the Committee recommends \$4,600,000 including \$4,000,000 for watershed and flood prevention loans, and \$600,000 for resource conservation and development loans. These levels are the same as the 1990 and House amounts. No funding was requested in the budget.

EMERGENCY DISASTER LOANS

Loan level, 1990	\$579,136,000
Budget estimate, 1991	25,000,000
House allowance	600,000,000
Committee recommendation.....	600,000,000

Emergency loans are made available in designated areas and in contiguous counties where property damage and/or severe production losses have occurred as a direct result of a natural disaster. Areas may be declared or designated for emergency loan assistance by the President, Secretary of Agriculture, or the Administrator of FmHA.

Emergency loans are made to established eligible farmers, ranchers, and aquaculture operators. Partnerships and private domestic corporations and cooperatives may also qualify, providing they are primarily engaged in agricultural or aquacultural production. Loans may be made for actual losses arising from natural disasters.

Actual loss loans may be made for physical losses to repair, restore, or replace damaged or destroyed farm property, livestock, and livestock products, and supplies, and for production losses to compensate for loss of income based on reduced production of crops and/or livestock products resulting from the disaster. Eligible farmers may use actual loss loan funds to purchase livestock, poultry, or other animals and pay costs incident to reorganizing a farming system to make it a sound operation. The reorganized farming operation, however, must be approximately equivalent in earning capacity to the operation conducted prior to the disaster. Under certain conditions, loan funds may be used to buy essential home equipment and furnishings and for limited refinancing of debts.

COMMITTEE RECOMMENDATIONS

For emergency disaster loans, the Committee recommends \$600,000,000 which is \$575,000,000 more than the budget request, \$20,864,000 more than the 1990 level, and the same amount as the House level.

STATE MEDIATION PROGRAM

Appropriations, 1990.....	\$3,456,000
Budget estimate, 1991.....	2,000,000
House allowance.....	3,500,000
Committee recommendation.....	4,000,000

The State Mediation Program is authorized by section 502(b) of the Agricultural Credit Act of 1987 to provide matching grants to eligible States which have existing State mediation programs for agricultural borrowers.

COMMITTEE RECOMMENDATIONS

For the State Mediation Program, the Committee recommends \$4,000,000. This amount is \$544,000 more than the 1990 level, \$500,000 more than the House level, and \$2,000,000 more than the budget request.

INTEREST SUBSIDY FOR GUARANTEED LOANS

Appropriations, 1990.....	
Budget estimate, 1991.....	\$33,327,000
House allowance.....	
Committee recommendation.....	

The budget request proposed a new program of \$400,000,000 in subsidized guaranteed loans. The Committee concurs with the House in rejecting this proposal.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND OTHER LOSSES

Appropriations, 1990.....	\$4,120,159,000
Budget estimate, 1991.....	6,014,356,000
House allowance.....	5,620,159,000
Committee recommendation.....	6,014,356,000

This appropriation will reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses incurred through September 30, 1988, and those from prior years which have not yet been reimbursed. Losses result primarily from (1) writeoff of uncollectable loans and (2) interest costs incurred because of the difference between interest rates charged to borrowers and the rate which the Government must pay for its own borrowing.

COMMITTEE RECOMMENDATIONS

For reimbursement for interest subsidies and other losses, the Committee recommends an appropriation of \$6,014,356,000. This amount is \$1,894,197,000 more than was provided in 1990, the same as the budget estimate, and \$394,197,000 more than the House level.

RURAL DEVELOPMENT INSURANCE FUND

The Rural Development Act of 1972 authorized the establishment of the Rural Development Insurance Fund under section 309A of the Consolidated Farm and Rural Development Act. This act provided for transfer to the Rural Development Insurance Fund the

assets and liabilities of the Agricultural Credit Insurance Fund applicable to loans for water systems and waste disposal facilities. This fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas.

WATER AND WASTE DISPOSAL LOANS

	Insured	Guaranteed	Total
Loan level, 1990	\$350,293,000	\$74,465,000	\$424,758,000
Budget estimate, 1991	300,000,000	50,000,000	350,000,000
House allowance	500,000,000	35,000,000	535,000,000
Committee recommendation	500,000,000	35,000,000	535,000,000

Loans are made to public bodies, organizations operated on a not-for-profit basis, and Indian tribes on Federal and State reservations and other federally recognized Indian tribes, for the development of storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. A rural area includes any area in any city or town which has a population of not more than 10,000 inhabitants.

COMMITTEE RECOMMENDATIONS

For insured water and waste disposal loans, the Committee recommends a level of \$500,000,000. This amount is \$150,000,000 more than the budget estimate, \$75,242,000 more than the 1990 amount, and the same as the House level.

For guaranteed water and waste disposal loans, the Committee recommends a level of \$35,000,000 the same as the House level, \$15,000,000 less than the budget request, and \$39,465,000 less than the 1990 level.

In administering rural water and waste loans and grants that are distributed to Washington State, the Department is directed to give priority to applications from communities whose economies are heavily dependent on the timber industry.

INDUSTRIAL DEVELOPMENT LOANS

Loan level, 1990	\$95,018,000
Budget estimate, 1991	
House allowance	100,000,000
Committee recommendation	100,000,000

These guaranteed loans are made to public, private, or cooperative organizations organized for profit or nonprofit, to certain Indian tribes, or to individuals for the purpose of improving the economic and environmental climate in rural areas.

Such purposes include financing business and industrial acquisition, construction, conversion, enlargement, repair or modernization; financing the purchase and development of land, easements, rights-of-way, buildings, equipment, facilities, machinery, supplies and materials; and paying start-up costs and supplying working capital. Industrial development loans may be made in any area that is not within the outer boundary of any city having a popula-

tion of 50,000 or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than 100 persons per square mile.

Special consideration for such loans is given to rural areas and cities having a population of 25,000 or less. Loans may be guaranteed by FmHA not to exceed 90 percent of the loss. Loans are repayable in not more than 30 years, depending on the loan purpose, and bear interest at a rate agreed upon by the lender and borrower.

COMMITTEE RECOMMENDATIONS

For guaranteed industrial development loans for fiscal year 1991, the Committee recommends a level of \$100,000,000. This amount is \$4,982,000 more than the 1990 level, \$100,000,000 more than the budget request, and the same as the House level.

COMMUNITY FACILITY LOANS

	Insured	Guaranteed	Total
Loan level, 1990.....	\$94,381,000	\$23,829,000	\$118,210,000
Budget estimate, 1991.....	45,700,000	50,000,000	95,700,000
House allowance.....	100,000,000	25,000,000	125,000,000
Committee recommendation.....	100,000,300	25,000,000	125,000,000

Loans are made to public bodies, organizations operated on a not-for-profit basis, and Indian tribes on Federal and State reservations and other federally recognized Indian tribes, to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Such facilities include those providing or supporting overall community development such as fire and rescue services, health care, hydroelectric generation, and community, social, and cultural benefits. Loans are made for facilities which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 population.

COMMITTEE RECOMMENDATIONS

For insured community facility loans, the Committee recommends a level of \$100,000,000. This amount is \$5,619,000 more than the 1990 level, \$54,300,000 more than the budget request, and the same as the House allowance.

For guaranteed community facility loans, the Committee recommends a level of \$25,000,000, the same as the House level, \$1,171,000 more than the 1990 amount, and \$25,000,000 less than the budget request.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND LOSSES

Appropriations, 1990	\$1,474,499,000
Budget estimate, 1991	1,666,160,000
House allowance	1,466,160,000
Committee recommendation	1,666,160,000

This appropriation will reimburse the Rural Development Insurance Fund for funded interest subsidies and losses incurred in fiscal year 1988 and those in prior years which were not previously reimbursed.

COMMITTEE RECOMMENDATIONS

For reimbursement for interest subsidies and losses for the Rural Development Insurance Fund, the Committee recommends an appropriation of \$1,666,160,000. This amount is \$191,661,000 more than was provided in 1990, \$200,000,000 more than the House level, and the same as the budget request.

RURAL DEVELOPMENT LOAN FUND

	Appropriation	Loan level
Appropriations, 1990	\$17,318,000	\$19,297,000
Budget estimate, 1991	28,000,000	30,000,000
House allowance	23,000,000	25,000,000
Committee recommendation	38,000,000	40,000,000

The Rural Development Loan Fund [RDLF] was originally authorized by the Economic Opportunity Act of 1964 (Public Law 88-452) with FmHA making and administering the loans for the Office of Economic Opportunity. The program was transferred to the Community Services Administration [CSA]; however, no new loans were made by the CSA. When the CSA was abolished, this program was transferred to the Department of Health and Human Services [HHS]. New loans were made and administered by HHS until its transfer to the Department of Agriculture. At the time of transfer, FmHA acquired a portfolio of 29 direct loans for approximately \$38,000,000.

The making of rural development loans by the Department of Agriculture was reauthorized by Public Law 99-425, the Human Services Reauthorization Act of 1986. Funding for such loans is to be derived from repayments to the fund (principal and interest) from prior loans made from the fund, as well as any additional moneys that might be made available.

Section 1323(b)(2) of the Food Security Act of 1985, Public Law 99-198, authorized the use of these funds pursuant to the first, second, and last sentences of section 623(a) of the Community Economic Development Act of 1981 (42 U.S.C. 9812(a)).

Loans will be made to intermediary borrowers (that is, small investment groups) who in turn will relend the funds to rural businesses, community development corporations, private nonprofit organizations, public agencies, et cetera, for the purpose of improving business, industry, community facilities, and employment opportunities and diversification of the economy in rural areas.

COMMITTEE RECOMMENDATIONS

For the Rural Development Loan Fund, the Committee provides a loan level of \$40,000,000. This amount is \$20,703,000 more than the 1990 level, \$15,000,000 more than the House amount, and \$10,000,000 more than the budget request. Since the budget estimate is that \$2,000,000 will be available in the fund, a total of \$38,000,000 is appropriated to the fund.

The Committee expects prompt consideration of the pending application to continue the successful loan program of the Three Rivers Planning and Development District, but does not concur with the House in providing a specific earmark of funds. Approval of these funds would have a tremendous economic impact on north Mississippi.

RURAL GRANT PROGRAMS

RURAL WATER AND WASTE DISPOSAL GRANTS

Appropriations, 1990.....	\$207,700,000
Budget estimate, 1991.....	100,000,000
House allowance.....	300,000,000
Committee recommendation.....	300,000,000

This grant program is authorized by section 306 of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes, to finance specific projects for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. Grants are used for water and waste disposal projects serving the most financially needy communities to reduce user costs to a reasonable level, to alleviate health hazards, and to meet national safe drinking water and clean water standards in rural areas without the financial capability to do so on their own.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$300,000,000 for rural water and waste disposal grants. This amount is \$92,300,000 more than the level available in fiscal year 1990, \$200,000,000 more than the budget estimate, and the same as the House level.

The Committee concurs with House bill language prohibiting the use of grant funds for administrative costs.

VERY LOW-INCOME HOUSING REPAIR GRANTS

Appropriations, 1990.....	\$12,500,000
Budget estimate, 1991.....	10,000,000
House allowance.....	12,500,000
Committee recommendation.....	12,500,000

This grant program is authorized under section 504 of title V of the Housing Act of 1949. The Rural Housing Repair Grant Program is carried out by making grants for very low-income elderly owner-occupants to make necessary repairs to their homes in order

to make such dwellings safe and sanitary, and remove hazards to the health of the occupants, their families, or the community.

Such grants may be made to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, installing screens, repairing or providing structural supports, or making similar repairs, additions, or improvements including all preliminary and installation costs in obtaining central water and sewer service. A grant can be made in combination with a section 504 very low-income housing repair loan.

The Secretary determines the maximum amount of grant or combination of loan and grant.

COMMITTEE RECOMMENDATIONS

For very low-income housing repair grants the Committee recommends an appropriation of \$12,500,000. This amount is the same as the 1990 appropriation, \$2,500,000 more than the budget estimate, and the same as the House level.

GRANTS FOR RURAL HOUSING FOR DOMESTIC FARM LABOR

Appropriations, 1990.....	\$10,862,000
Budget estimate, 1991.....	10,000,000
House allowance	11,000,000
Committee recommendation.....	11,000,000

Under section 516 of the Housing Act of 1949, FmHA is authorized to share with States or other political subdivisions, public or private nonprofit organizations, or nonprofit organizations of farmworkers, the cost of providing low-rent housing, basic household furnishings, and related facilities to be used by domestic farm laborers.

Such housing may be for year-round or seasonal occupancy and consist of family units, apartments, or dormitory-type units, constructed in an economical manner, and not of elaborate or extravagant design or materials. Grant assistance may not exceed 90 percent of the total development cost. Applicants furnish as much of the development cost as they can afford by using their own resources, by borrowing either directly from private sources, or by obtaining an insured loan under section 514 of the Housing Act.

The applicant must agree to charge rentals which do not exceed amounts approved by the Secretary, maintain the housing at all times in a safe and sanitary condition, and give occupancy preference to domestic farm laborers.

The obligations incurred by the applicant as a condition of the grant continue for 50 years from the date of the grant unless terminated sooner by the Farmers Home Administration. To the extent practicable, grant obligations are secured by a mortgage on the housing or other security. In the event of default, the Farmers Home Administration has the option to require repayment of the grant.

COMMITTEE RECOMMENDATIONS

For grants for rural housing for domestic farm labor, the Committee recommends \$11,000,000. This amount is \$138,000 more than the 1990 appropriation, \$1,000,000 more than the budget request, and the same as the House level. Consistent with past years, the Committee recommends making this appropriation available until expended.

MUTUAL AND SELF-HELP HOUSING GRANTS

Appropriations, 1990	\$8,634,000
Budget estimate, 1991	
House allowance	8,750,000
Committee recommendation.....	8,750,000

This grant program is authorized under section 523 of the Housing Act of 1949. Grants are made to local organizations to promote the development of mutual or self-help housing programs under which groups of usually 6 to 10 families build their own homes by mutually exchanging labor. Funds may be used to pay the cost of construction supervisors who will work with families to guide them in the construction of their homes and for administrative expenses of the organizations providing the self-help assistance. This program also provides contract funds for training to be provided to members and staff of self-help technical assistance grant recipient organizations.

COMMITTEE RECOMMENDATIONS

For mutual and self-help housing grants, the Committee recommends an appropriation of \$8,750,000. This amount is \$116,000 more than the level provided in 1990, and the same as the House level. No appropriation was requested by the administration.

The Committee directs FmHA to continue the self-help housing regional technical assistance program. In order to ensure that more families have the opportunity for home ownership, the Committee directs that the technical assistance program focus attention on developing more local self-help housing programs, as well as assisting in the management of programs currently operating.

RURAL COMMUNITY FIRE PROTECTION GRANTS

Appropriations, 1990	\$3,091,000
Budget estimate, 1991	
House allowance	3,500,000
Committee recommendation.....	3,500,000

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978. Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas.

COMMITTEE RECOMMENDATIONS

For rural community fire protection grants, the Committee recommends an appropriation of \$3,500,000. This amount is \$409,000 more than the 1990 level and the same as the House level. No appropriation was requested by the administration.

COMPENSATION FOR CONSTRUCTION DEFECTS

Appropriations, 1990.....	\$500,000
Budget estimate, 1991.....	
House allowance	500,000
Committee recommendation.....	500,000

Under section 509(c) of the Housing Act of 1949, as amended, the Secretary of Agriculture is authorized to pay the cost of correcting structural defects and claims arising from defects on newly constructed dwellings purchased with FmHA financial assistance. Claims will not be paid until provisions under the builder's warranty have been fully pursued. Requests for compensation for construction defects must be made within 18 months of loan closing.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$500,000 for compensation for construction defects. This amount is \$500,000 more than the budget request, and the same as the level provided in fiscal year 1990 and by the House.

RURAL HOUSING PRESERVATION GRANTS

Appropriations, 1990.....	\$19,140,000
Budget estimate, 1991.....	15,000,000
House allowance	23,000,000
Committee recommendation.....	23,000,000

The Rural Housing Preservation Grants Program is authorized under the Farmers Home Administration by section 533 of the Housing Act of 1949 to make grants to State or local governments, Indian tribes, private nonprofit organizations, and a consortia of other eligible grantees to rehabilitate housing which is either owned or occupied by low or very-low income persons or families.

While the section 504 loan and grant programs are aimed at the same income levels as this program, they are restricted to the elderly. Also, the Farmers Home Administration staff limitations are such that an increase in funding or expansion of responsibility may not provide satisfactory results.

The Preservation Grants Program employs local housing expertise and improves the delivery of rehabilitation assistance. Farmers Home ranks and funds qualified applicants (for example, governments, or nonprofit organizations), but is not responsible for processing individual applications for assistance. The grantee operates the program on a day-to-day basis, and FmHA reviews and monitors the activities of the grantee.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$23,000,000 for rural housing preservation grants. This amount is \$3,860,000 more than the 1990 level, \$8,000,000 more than the budget request, and the same as the House level.

RURAL DEVELOPMENT GRANTS

Appropriations, 1990	\$16,406,000
Budget estimate, 1991	
House allowance	16,500,000
Committee recommendation	25,000,000

Rural development grants are authorized by section 310B(c) of the Consolidated Farm and Rural Development Act to facilitate the development of business and industry in rural areas by financing improvements and enhancements to small industrial complexes. Grants are made for the development of industrial facilities including land, buildings, equipment, and supporting facilities.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$25,000,000 for rural development grants. This amount is \$8,594,000 more than the 1990 level and \$8,500,000 more than the House level. There was no budget request.

The Committee concurs with House bill language providing at least \$500,000 for technical assistance for rural communities needing improved transportation systems or facilities to promote economic development. However, the Committee recommends the inclusion of bill language adding training as an activity for rural transportation technical assistance and economic development. Training has been included to ensure that assistance under this program reaches a wide range of elected officials and transportation operators. The Committee expects that these funds will be used to support a range of activities including technical assistance to site specific projects to identify and assess the feasibility of other transit development projects, and to provide technical assistance to other rural communities which may lack adequate transportation systems.

The Committee also recommends bill language providing \$2,000,000 of this appropriation for rural technology grants for statewide private nonprofit public television systems whose coverage area is predominately rural. Funds may be used for capital equipment and program costs, and other costs necessary to the operation of such a demonstration; \$1,250,000 was provided in 1990.

Included in the total amount of this account is \$1,000,000 for the Institute for Decision Making at the University of Northern Iowa to facilitate community development efforts which are crucial for acquiring and maintaining businesses in small communities. The recommendation also includes \$500,000 for the city of Killdeer, ND, to provide inventory, operating, and equipment funds to support an expansion program at Killdeer Mountain Manufacturing, Inc.

Also included is \$500,000 for the Port of Klickitat to establish a permanent site for industrial and commercial development near

Bingen, WA. An additional \$1,000,000 will be contributed by other sources for this project.

The Strasburg Economic Development Corp. and Welk Heritage, Inc. in North Dakota are restoring Lawrence Welk's birthplace to promote tourism, create jobs, and create businesses which do not currently exist. This appropriation includes \$500,000 to assist in this effort.

The Committee concurs with the House in providing \$250,000 for a grant to implement a strategy to encourage rural revitalization in Maui County, HI. This grant is to be administered by the Maui Economic Development Board, Inc.

The Committee does not concur with the House earmarks of \$1,150,000 for Kentucky; \$500,000 for Bryan County, OK; and \$1,500,000 for the East Central Agriplex in Oklahoma.

SOLID WASTE MANAGEMENT GRANTS

Appropriations, 1990.....	
Budget estimate, 1991.....	
House allowance	
Committee recommendation.....	\$3,000,000

Solid waste management grants are authorized by section 310B(b) of the Consolidated Farm and Rural Development Act for pollution abatement and control projects in rural areas.

Funds would be used to reduce or eliminate pollution of water resources and to improve planning and management of solid waste sites. Eligible activities under this section include: evaluation of current landfill conditions to determine threats to drinking water; technical assistance to help remedy failing solid waste landfill sites; and technical and financial assistance to help communities manage the reduction of their solid waste stream.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$3,000,000 for solid waste management grants. No funding was provided in 1990. The House provided no funding and none was requested in the budget. The management of solid waste poses an expensive and bewildering problem for many rural communities that lack the technical expertise to dispose properly of waste products. The rising costs of new landfill space, the rapid depletion of existing landfills, and the contamination of rural drinking water through improper solid waste disposal present vast costs to rural areas.

The Committee is aware of a proposal by the Coastal Georgia Regional Development Center for a rural solid waste management model demonstration project and expects the Department to review this proposal and determine its eligibility for funding.

The Committee recommendation includes bill language making these grants available for 100 percent of the cost of eligible projects.

EMERGENCY COMMUNITY WATER ASSISTANCE GRANTS

Appropriations, 1990.....	
Budget estimate, 1991.....	
House allowance.....	
Committee recommendation.....	\$20,000,000

Emergency community water assistance grants are authorized by the Disaster Assistance Act of 1989 (Public Law 101-82). They are provided to assist rural communities that have had a significant decline in quantity or quality in their drinking water supply or their existing water system needs emergency repairs.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$20,000,000 for emergency community water assistance grants. This amount represents initial funding for this program since no money has been appropriated to date. The House included no funds, and none were requested in the budget. Due to the drought over the past few years in many parts of the country, rural areas' water supply has been seriously threatened. These funds will contribute significantly to the provision of safe water for rural residents.

OFFICE OF THE ADMINISTRATOR

Appropriations, 1990.....	\$600,000
Budget estimate, 1991.....	
House allowance.....	600,000
Committee recommendation.....	600,000

The Office of the Administrator provides overall supervision and coordination for the programs of the Farmers Home Administration.

COMMITTEE RECOMMENDATIONS

For the Office of the Administrator, the Committee recommends \$600,000, the same as the 1990 and House levels. The President requested funds for this account under the "Salaries and expenses" account.

SALARIES AND EXPENSES

	Appropriation	Transfers from loan accounts	Total
Appropriations, 1990.....	\$422,934,000	\$4,000,000	\$426,934,000
Budget estimate, 1991.....	447,787,000	4,000,000	451,787,000
House allowance.....	439,854,000	4,000,000	443,854,000
Committee recommendation.....	439,854,000	4,000,000	443,854,000

Funds appropriated to this account are used to administer the various loan and grant programs of the Farmers Home Administration, with the exception of emergency loans, which are administered with funds available from the Agricultural Credit Insurance Fund, and watershed, flood prevention, and resource conservation and development loans, which are administered with an annual al-

lotment of funds from the Soil Conservation Service. Administration of the programs includes the reviewing of applications, making and collecting loans, and extending technical assistance to borrowers.

COMMITTEE RECOMMENDATIONS

For salaries and expenses, the Committee recommends a program level of \$443,854,000. This amount is \$16,920,000 more than the 1990 level, \$7,933,000 less than the budget estimate, and the same as the House level.

Included in this amount is \$3,700,000 for the circuit rider program, an increase of \$466,000 over the 1990 level and \$341,000 above the House allowance.

The Committee notes that an increase of \$1,000,000 has been provided for the Small Farmer Training and Technical Assistance Program. The Committee provides for the continuation and expansion of this important program.

The Committee has inserted bill language providing that the city of Burlington, ND, shall be eligible for loans through the rural housing insurance fund.

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration [REA] was established by Executive Order 7037 on May 11, 1935, to provide loan funds to eligible borrowers for the purpose of extending central station electric service to unserved persons in rural areas. Statutory provision for the agency was made in the Rural Electrification Act of May 20, 1936. On July 1, 1939, under Reorganization Plan II, REA became a part of the Department of Agriculture. On October 28, 1949, the purpose of REA was expanded by Public Law 423 which amended the Act to authorize loans for furnishing telephone service to rural areas.

Public Law 93-32, enacted May 11, 1973, amended the Rural Electrification Act of 1936, as amended, by establishing a Rural Electrification and Telephone Revolving Fund [RETRF] for the purpose of making insured loans to REA electric and telephone borrowers. Loans made under this authority bear either 2- or 5-percent interest in accordance with criteria specified in the act, and have a maturity not to exceed 35 years. The act also authorized REA to guarantee loans made by other lenders at rates and terms agreed upon between the lender and the borrower. The rural electrification and telephone revolving fund legislation contains the following statement of congressional policy:

* * * it is hereby declared to be the policy of the Congress that adequate funds should be made available to rural electric and telephone systems through direct, insured, and guaranteed loans at interest rates which will allow them to achieve the objectives of the Rural Electrification Act of 1936, as amended; and that such rural electric and telephone systems should be encouraged and assisted to develop their resources and ability to achieve the financial strength needed to enable them to satisfy their

credit needs from their own financial organizations and other sources at reasonable rates and terms consistent with the loan applicant's ability to pay and achievement of the Act's objectives.

In October 1976, Public Law 94-570 amended the act, changing the statutory criteria used in determining eligibility for the special interest rate (2 percent) insured loans. The change in criteria corrected unintended inequities resulting from Public Law 93-32, bringing the number of borrowers eligible for the special rate more in line with congressional intent and with borrowers' actual needs for loan funds at this rate.

On August 13, 1981, the Omnibus Budget Reconciliation Act, Public Law 97-35, was signed into law to further amend the Rural Electrification Act. This legislation changed the Rural Electrification Act by eliminating the special 2-percent interest rate on insured loans from the RETRF. It also provided that the Administrator may make insured loans at a rate less than 5 percent, but not less than 2 percent, if the borrower has experienced extreme financial hardship, or cannot provide service consistent with the objectives of the act without charging rates so high that a substantial disparity results between such rates and those charged for similar services in the same or nearby areas by other suppliers.

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

ELECTRIC LOANS (INSURED)

Loan level, 1990	\$622,050,000
Budget estimate, 1991	200,000,000
House allowance	622,050,000
Committee recommendation.....	760,050,000

ELECTRIC LOANS (GUARANTEED)

Loan level, 1990	\$813,450,000
Budget estimate, 1991	
House allowance	813,450,000
Committee recommendation.....	813,450,000

TELEPHONE LOANS (INSURED)

Loan level, 1990	\$239,250,000
Budget estimate, 1991	
House allowance	239,250,000
Committee recommendation.....	239,250,000

TELEPHONE LOANS (GUARANTEED)

Loan level, 1990	\$119,625,000
Budget estimate, 1991	
House allowance	119,625,000
Committee recommendation.....	119,625,000

COMMITTEE RECOMMENDATIONS

The Committee commends REA for maintaining stable ratios of concurrent and supplemental loans at the current levels. During fiscal year 1991, the Administrator is expected to provide borrowers supplemental financing in accordance with applicable criteria and ratios in effect as of July 15, 1982.

For insured loans to rural electric systems, the Committee recommends a floor of \$760,050,000 and a ceiling of \$1,071,075,000. For insured telephone loans the Committee recommends a floor of \$239,250,000 and a ceiling of \$311,025,000.

For guaranteed loans, the Committee provides the following: Electric loan guarantees, a floor of \$813,450,000 and a ceiling of \$1,961,850,000; telephone loan guarantees, a floor of \$119,625,000 and a ceiling of \$138,765,000.

The Committee has increased the insured electric loan levels by \$138,000,000 above the 1990 and House levels in order to help alleviate the backlog of unfunded applications. This increase shall become available September 1, 1991. The Committee notes that approximately \$650,000,000 of insured electric loans will be unfunded at the end of fiscal year 1990.

In addition, the Committee again directs REA to make full use, during fiscal year 1991, of funds which were authorized by Congress for insured loans—both electric and telephone—during previous years, but which were not expended. These carryover balances, through fiscal year 1989, are \$183,430,000 in the telephone program, and \$251,748,000 in the Electric Program.

The Committee has maintained bill language prohibiting REA from using a borrower's level of general funds to determine eligibility for a loan or an advance on a loan previously approved.

REIMBURSEMENT FOR LOSSES

Appropriations, 1990	\$240,757,000
Budget estimate, 1991	
House allowance	266,603,000
Committee recommendation.....	266,603,000

In 1973, the Rural Electrification Act was amended by Public Law 98-32, which created the Rural Electrification and Telephone Revolving Fund [RETRF] through which REA would administer its loan programs. The fund began operations utilizing \$7,864,742,000 in assets which were transferred to the fund from the Treasury, and the fund was made liable for approximately \$7,400,000,000 of notes previously issued by REA to the Treasury. The fund was simultaneously forgiven from paying any interest associated with that liability to the Treasury. If the fund were liable for this interest, it is estimated that the annual interest cost would be \$307,163,625.

In 1979 the General Accounting Office [GAO] ruled that the RETRF should show this would-be interest cost as imputed interest on its financial statements in order to conform to generally accepted accounting principles.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$266,603,000 for reimbursement for losses, which is \$25,846,000 more than the 1990 amount and the same as the House level. There was no budget estimate.

RURAL TELEPHONE BANK

DIRECT LOANS

Loan levels, 1990.....	\$177,045,000
Budget estimate, 1991.....	103,560,000
House allowance.....	177,045,000
Committee recommendation.....	177,045,000

Public Law 92-12, approved May 7, 1971, amended the Rural Electrification Act of 1936 to establish the Rural Telephone Bank [RTB] as a supplemental source of financing the Rural Telephone Program. The Bank charges a single interest rate based on its average cost of money, but not less than 5 percent per annum. The Bank may borrow public or private funds in a total amount not to exceed 20 times its paid-in capital and retained earnings.

COMMITTEE RECOMMENDATIONS

For Rural Telephone Bank loans, the Committee recommends a floor of \$177,045,000 and a ceiling of \$210,540,000. These levels are the same as in 1990 and as provided by the House. The President's budget proposed no more than \$103,560,000 for these loans.

CAPITALIZATION

Appropriations, 1990.....	\$28,710,000
Budget estimate, 1991.....	
House allowance.....	28,710,000
Committee recommendation.....	28,710,000

The Rural Electrification Act of 1936, as amended, authorizes appropriations for the purchase of class A stock in the Rural Telephone Bank [RTB] by the U.S. Government. This account funds the purchase of class A stock of the Rural Telephone Bank.

Originally, the act authorized U.S. stock purchases totaling \$300,000,000 with up to \$30,000,000 to be appropriated annually. The \$300,000,000 stock purchase was completed in 1981. Public Law 97-98, approved December 22, 1981, amended the act by providing for an authorization of an additional \$300,000,000 in U.S. stock purchases with \$30,000,000 authorized to be appropriated annually.

COMMITTEE RECOMMENDATIONS

For capitalization of the Rural Telephone Bank, the Committee recommends an appropriation of \$28,710,000 the same as the

amount that was available for fiscal year 1990 and provided by the House, and \$28,710,000 more than the budget request.

RURAL COMMUNICATION DEVELOPMENT FUND

REIMBURSEMENT FOR LOSSES

Appropriations, 1990.....	\$1,329,000
Budget estimate, 1991.....	1,264,000
House allowance.....	1,264,000
Committee recommendation.....	1,264,000

The Rural Communication Development Fund was established pursuant to Secretary's memorandum No. 1988, approved May 22, 1979. The memorandum transferred certain financing authorities under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) from the Farmers Home Administration to the Rural Electrification Administration for the purpose of financing and administering community antenna television services to facilities in rural areas.

COMMITTEE RECOMMENDATIONS

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, the Committee recommends an appropriation of \$1,264,000. This amount is the same as the budget request, \$65,000 less than the 1990 appropriation and the same as the House level.

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

Appropriations, 1990.....	\$4,992,000
Budget estimate, 1991.....	
House allowance.....	5,000,000
Committee recommendation.....	5,000,000

The Rural Economic Development Subaccount was established by the Reconciliation Act of December 1987 (Public Law 100-203), which amended the Rural Electrification Act of 1936, by establishing a new section 313. Section 313 of the Rural Electrification Act (7 U.S.C. 901) established a cushion of credits payment program and created the Rural Economic Development Subaccount. Section 313 authorizes the Administrator of REA to utilize funds in this subaccount to provide grants or zero interest loans to REA borrowers for the purpose of promoting rural economic development and job creation projects, including funding for feasibility studies, startup costs, and other reasonable expenses for the purpose of fostering rural economic development.

COMMITTEE RECOMMENDATIONS

For grants and zero interest loans authorized under section 313 of the Rural Electrification Act, the Committee recommends \$5,000,000, the same as the House amount and \$8,000 more than the 1990 level. There was no budget request. This amount is in addition to any amounts generated by the interest differential on cushion of credit payments made by REA borrowers.

The Committee expects a quarterly report on the operation of this subaccount, including the number and dollar amount of applications received, pending, approved, and rejected.

OFFICE OF THE ADMINISTRATOR

Appropriations, 1990.....	\$194,000
Budget estimate, 1991.....	
House allowance.....	229,000
Committee recommendation.....	229,000

The Office of the Administrator provides overall supervision and coordination for the programs of the Rural Electrification Administration under the law enacted by the Congress. Funding for this office includes salaries and expenses for the Administrator, the Confidential Assistant to the Administrator, and one secretary. All funds available to this office are contained in this appropriation.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$229,000 for the Office of the Administrator. This amount is the same as the House level and \$35,000 above the 1990 level. The budget proposes to fund this account under the "Salaries and expenses" account.

SALARIES AND EXPENSES

Appropriations, 1990.....	\$31,124,000
Budget estimate, 1991.....	33,055,000
House allowance.....	32,826,000
Committee recommendation.....	32,826,000

In addition to administering programs for making loans, assurance of feasibility and adequate security, and collections on loans, the REA staff furnishes management and technical assistance to borrowers for the purpose of protecting the Government's loan security, to assure that construction and operation of borrowers' systems conform to approved standards and that the electric and telephone systems continue providing reliable service on an area coverage basis.

COMMITTEE RECOMMENDATIONS

For the salaries and expenses necessary to carry out the functions of the Rural Electrification Administration, the Committee recommends an appropriation of \$32,826,000. This amount is \$1,702,000 more than the 1990 level, \$229,000 less than the budget estimate, and the same as the House amount.

The Committee concurs with the House in providing bill language that prohibits the transfer of funds from the Rural Telephone Bank to pay the salaries and expenses of REA.

The Committee concurs with House bill language providing that not less than \$500,000 of REA's salaries and expenses be used to provide technical economic development assistance to rural electric and telephone systems. In addition, bill language is recommended to require that this assistance be provided by REA employees located within REA. These funds may not be used for employees who

are reassigned to the Rural Information Center or any other agency. The Committee believes that the technical assistance to be provided to rural electric and telephone systems through this provision will have the greatest impact if it is provided through REA—an agency with which many of these systems have more than 50 years of experience and which is the major lender to these systems.

CONSERVATION

OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Appropriations, 1990	\$439,000
Budget estimate, 1991	¹ 538,000
House allowance	520,000
Committee recommendation.....	520,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Natural Resources and Environment provides direction and coordination in carrying out the laws enacted by the Congress with respect to natural resources and environment. The Office has oversight and management responsibilities for the Soil Conservation Service and the Forest Service.

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Natural Resources and Environment, the Committee recommends an appropriation of \$520,000. This amount is \$81,000 more than the 1990 level, \$18,000 less than the budget request, and the same as the House level.

SOIL CONSERVATION SERVICE

The Soil Conservation Service [SCS] was established by Public Law 74-46 on April 27, 1935, (16 U.S.C. 590a-590f) to carry out a continuing program of soil and water conservation on the private lands of the Nation. The current mission of the agency is to provide national leadership in the conservation and wise use of soil, water, and related resources through a balanced cooperative program that protects, restores, and improves those resources.

The conservation activities of the Soil Conservation Service are guided by the priorities and objectives as set forth in the National Conservation Program [NCP] which was prepared in response to the provisions of the Soil and Water Resources Conservation Act of 1977 [RCA] (Public Law 95-192) and transmitted to the Congress in December 1982. The long-term objectives of the program are designed to maintain and improve the soil, water, and related resources of the Nation's nonpublic lands by: reducing excessive soil erosion; improving irrigation efficiencies; improving water management; reducing upstream flood damages; improving range condition; and improving water quality.

The program establishes national priorities to guide USDA conservation activities over the next 5 years. The first priority is to reduce excessive soil erosion on agricultural lands. The second pri-

ority is twofold: to conserve water used in agriculture, and to reduce flood damages in upstream areas.

CONSERVATION OPERATIONS

Appropriations, 1990	\$476,949,000
Budget estimate, 1991	506,998,000
House allowance	509,056,000
Committee recommendation	509,056,000

Conservation operations is authorized by Public Law 74-46, (16 U.S.C. 590a-590f). Activities include:

Conservation technical assistance.—Provides assistance to district cooperators and other land users in the planning and application of conservation treatments to control erosion and improve the quantity and quality of soil resources, improve and conserve water, enhance fish and wildlife habitat, conserve energy, improve woodland, pasture and range conditions, and reduce upstream flooding; all to protect and enhance the natural resource base.

Inventory and monitoring provides soil, water, and related resource data for land conservation, use, and development; guidance of community development; identification of prime agricultural producing areas that should be protected; use in protecting the quality of the environment; and to issue periodic inventory reports of resource conditions.

Resource appraisal and program development ensures that programs administered by the Secretary of Agriculture for the conservation of soil, water, and related resources shall respond to the Nation's long-term needs. This activity is authorized by the Soil and Water Resources Conservation Act, Public Law 95-192, November 18, 1977 (16 U.S.C. 2001), as amended by the Food Security Act of 1985, Public Law 99-198.

Soil surveys.—Inventories the Nation's basic soil resources and determines land capabilities and conservation treatment needs. Soil survey publications include interpretations useful to cooperators, other Federal agencies, State and local organizations.

Snow survey and water forecasting.—Provides estimates of annual water availability from high mountain snow packs and relates this to summer stream flow in the Western States and Alaska. Information is used by agriculture, industry, and cities in estimating future water supplies.

Plant materials centers.—Assembles, tests, and encourages increased use of plant species which show promise for use in the treatment of conservation problem areas.

COMMITTEE RECOMMENDATIONS

For conservation operations, the Committee recommends an appropriation of \$509,056,000. This amount is \$32,107,000 more than the 1990 level, \$2,058,000 more than the budget estimate, and the same as the House level.

Included in this amount is \$4,500,000, \$700,000 more than the 1990 amount, for the Chesapeake Bay program. This amount will support no fewer than 62 staff positions for this project and will enhance automation systems in the bay area.

The Committee recommends \$490,000, the same as the 1990 level, for continuation of the North Dakota centennial windbreak project as proposed by the North Dakota Extension Service. In addition, the Committee is aware of a centennial renovation project in Sheridan County, ND, involving the removal of dead or dying tree plantings and reestablishing new plantings. The Committee expects SCS to investigate the feasibility of participating in this effort, to support it to the extent possible, and to report its recommendations to the Committee by February 1, 1991.

SCS is directed to continue its active role in the vital Rural Abandoned Mines Program [RAMP].

The appropriation includes \$176,000, the same as in 1990, for continuation of the joint effort by Alcorn State University in Mississippi and SCS to study alternative conservation practices on small farms where traditional measures are not practicable.

The Committee concurs with the House in providing an increase of \$639,000 for the plant materials centers.

A total of \$100,000, the same as the 1990 amount, is included to continue the work on the problem of sedimentation in Red Rock Reservoir in Iowa.

The Committee recommends \$375,000, the same as in 1990, to complete the Plum Bayou project in Arkansas.

As in the past, the Committee directs SCS to continue to provide \$150,000 in technical assistance to soil conservation districts in Idaho for measures under the agricultural abatement plan which was completed in 1979 in response to Public Law 92-500, the Clean Water Act.

Not less than \$75,000, the same as the amount provided in 1990, is available for the Louisiana State University rice research station to fund plant biotechnology work. In addition, the Committee concurs with the House in requesting a report of the feasibility of accelerating the vegetative projects program at the Golden Meadow Plant Materials Center which is conducted in concert with the coastal restoration program of the State of Louisiana.

In addition to the amount normally allocated for the State of Arkansas, the Committee concurs with the House by including \$452,000, the same as in 1990, to continue the 26-county eastern Arkansas water conservation study.

The Committee is aware of a proposal by the University of Northern Iowa, in conjunction with SCS, the Iowa Department of Natural Resources and local conservation boards, for an integrated roadside vegetation management program. SCS is expected to support this proposal and provide a report to the Committee on the program by February 1, 1991, including the likely effects of expansion.

On the island of Molokai, HI, a pilot project is proposed to incorporate the features necessary for successful agricultural development in a global environment, creating a partnership for agricultural development including the agricultural and business community, State and Federal agencies, and research and extension units. The Committee expects SCS to cooperate with and support this project.

The Service is encouraged to support and cooperate with the Vermont Department of Agriculture in developing an information

system to be used by towns in mapping their agricultural resources. A farm-based system would be useful in managing the use of agricultural chemicals on ground water pollution.

The Committee does not concur with the House in providing \$375,000 for the Michigan subirrigation study.

RIVER BASIN SURVEYS AND INVESTIGATIONS

Appropriations, 1990	\$12,292,000
Budget estimate, 1991	10,351,000
House allowance	12,783,000
Committee recommendation.....	12,783,000

This program is authorized by the Watershed and Flood Prevention Act, Public Law 83-566, section 6, August 4, 1954 (16 U.S.C. 1006-1009).

The Soil Conservation Service administers a program which involves cooperation with other Federal, State, and local agencies in making surveys and investigations of watersheds of rivers and other waterways as a basis for the development of coordinated water resource programs.

COMMITTEE RECOMMENDATIONS

For River basin surveys and investigations, the Committee recommends an appropriation of \$12,783,000. This amount is \$491,000 more than the 1990 level, \$2,432,000 more than the budget request, and the same as the House level.

The Committee notes that a joint study of flood control problems and other related water resource issues between the Corps of Engineers and the SCS has been approved for the Upper Choctawhatchee and Pea River Basins in Alabama. SCS is expected to provide up to \$300,000 for its share of this study.

WATERSHED PLANNING

Appropriations, 1990	\$8,824,000
Budget estimate, 1991	6,875,000
House allowance	9,176,000
Committee recommendation.....	9,176,000

The Department cooperates with the States and other agencies in planning works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water, as authorized by the Watershed and Flood Prevention Act, as amended, Public Law 83-566, August 4, 1954 (16 U.S.C. 1001-1008).

The Department makes surveys of proposed small watershed projects, and prepares work plans in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, the cost sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

COMMITTEE RECOMMENDATIONS

For watershed planning, the Committee recommends an appropriation of \$9,176,000. This amount is \$352,000 more than the 1990 level, \$2,301,000 more than the budget estimate, and the same as the House level.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Appropriations, 1990.....	¹ \$239,867,000
Budget estimate, 1991.....	151,112,000
House allowance.....	191,544,000
Committee recommendation.....	179,867,000

¹ This amount does not include \$10,000,000 transferred to ASCS, Emergency Conservation Program.

The appropriation "Watershed and flood prevention operations" funds those activities authorized by the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1005, 1007-1009) and the Flood Control Act, as amended and supplemented (33 U.S.C. 701, 16 U.S.C. 1006a) and sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), which relate to installation of individual watershed projects, flood prevention subwatershed projects, and emergency watershed protection.

The Soil Conservation Service has general responsibility for administration of activities which include cooperation with local sponsors, State, and other public agencies in the installation of planned works of improvement to reduce erosion, floodwater, and sediment damage; conserve, develop, utilize, and dispose of water; plan and install works of improvement for flood prevention including the development of recreational facilities and the improvement of fish and wildlife habitat; and loans to local organizations to help finance the local share of the cost of carrying out planned watershed and flood prevention works of improvement as authorized by Public Law 566, Public Law 534, and section 216 of the Flood Control Act of 1950. The Farmers Home Administration administers the loan program.

COMMITTEE RECOMMENDATIONS

For watershed and flood prevention operations, the Committee recommends an appropriation of \$179,867,000. This amount is \$60,000,000 less than the 1990 amount, \$28,755,000 more than the budget estimate, and \$11,677,000 less than the House provision. It is the same amount that was available in 1990 prior to the supplemental appropriation of \$60,000,000 for emergency matters.

The Committee provides the following levels within this appropriation: \$25,744,000, the same as the amount available for fiscal year 1990 and an increase of \$5,526,000 above the budget request for the operations authorized by Public Law 534; \$20,000,000, an increase of \$9,959,000 above the budget request and \$60,000,000 less than the 1990 level, for the temporary emergency watershed protection program, and \$134,123,000, the same as the amount available for fiscal year 1990 and \$13,270,000 above the budget request for small watersheds authorized by Public Law 566.

The Committee is aware that heavy rains this summer have caused severe flood damage to several areas of West Virginia, including Little Wheeling Creek in Ohio County and Doolin Run in Wetzel County. Emergency stream clean out, stream bank stabilization, and debris removal are needed to prevent further flooding and to protect lives and property. The estimated cost of this emergency work is \$2,000,000.

In addition, the Committee recognizes that severe erosion damage occurred in Mississippi from abnormal rainfalls in 1989 and 1990. Although some \$12,200,000 are needed for the repair of erosion damage which occurred in Yazoo, Prentiss, Lowndes, Tate, Hinds, Lee, Coahoma, Adams, Walthall, Rankin, Neshoba, Winston, Claiborne, Attala, Leake, Warren, Tishomingo, and other counties in Mississippi, the need to reduce the level of Federal expenditures precludes the appropriation of such a sizable increase.

The Committee urges SCS to perform necessary emergency work, to every extent possible, in West Virginia and Mississippi.

RESOURCE CONSERVATION AND DEVELOPMENT

Appropriations, 1990	\$27,255,000
Budget estimate, 1991	23,974,000
House allowance	29,900,000
Committee recommendation	29,900,000

The Resource Conservation and Development [RC&D] Program began in February 1964 under authority of section 102 of the Food and Agriculture Act of 1962 (Public Law 87-703) and other departmental authorities. In December 1981, sections 3451-3461 of the Agriculture and Food Act of 1981 authorized a program for aiding local and State efforts in resource conservation and development. Program assistance is provided to RC&D sponsors as authorized by the Secretary of Agriculture. RC&D sponsors, State and local units of government, and nonprofit organizations initiate and direct the planning process, develop and maintain an RC&D area plan, and carry out activities to implement the plan.

USDA provides technical, financial, and loan assistance to local sponsors. An RC&D Policy Board was established in April 1984 under subtitle H of the Agriculture and Food Act of 1981 (Public Law 97-98). The Board provides advice and recommends policy on program administration to the Secretary of Agriculture. The inter-agency board has members from the Soil Conservation Service, Forest Service, Farmers Home Administration, Extension Service, Agricultural Stabilization and Conservation Service, and the Office of the Secretary. Program leadership is provided by the Soil Conservation Service [SCS]. Sponsors also seek the help of local, State, and other Federal agencies that can assist them in areawide planning and in carrying out activities to implement plans.

COMMITTEE RECOMMENDATIONS

For the Resource Conservation and Development Program, the Committee recommends an appropriation of \$29,900,000. This amount is \$2,647,000 more than the 1990 level, \$5,926,000 more than the budget estimate, and the same as the House level.

GREAT PLAINS CONSERVATION PROGRAM

Appropriations, 1990	\$20,884,000
Budget estimate, 1991	24,637,000
House allowance	24,637,000
Committee recommendation	24,637,000

The Great Plains Conservation Program is authorized by Public Law 84-1021, as amended, (16 U.S.C. 590p(b)). The program's objective is to bring about a long-term solution to problems resulting from drought and the cultivation of land unsuited for sustained crop production in the 10 Great Plains States.

It is designed to provide needed protection and improvement of soil, water, plant, and wildlife resources of the unique Plains area, which is plagued with recurring drought and wind erosion problems. Selection of suitable land uses and installation of complete conservation treatment and management systems on farms and ranches in the area are made through reduction of wind and water erosion, abatement of agriculture-related pollution and water conservation measures.

COMMITTEE RECOMMENDATIONS

For the Great Plains Conservation Program, the Committee recommends an appropriation of \$24,637,000. This amount is \$3,753,000 more than the 1990 level, and the same as the House amount and budget request.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM

Appropriations, 1990	\$182,369,000
Budget estimate, 1991	176,000,000
House allowance	197,935,000
Committee recommendation	182,369,000

The Agricultural Conservation Program [ACP] is authorized by sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act (Public Law 74-46), sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970 (Public Law 91-524), as added by the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86), section 1501 of the Food and Agriculture Act of 1977 (Public Law 95-113), and section 259 of the Energy Security Act of 1980 (Public Law 96-294).

The ACP is administered by ASCS through the farmer-elected committee system. The program is a joint effort by Government and landowners to restore and protect basic land and water resources. Objectives include helping to ensure a continuous, adequate supply of food and fiber; improving water quality in rural America; facilitating resource management systems; and achieving national priorities reflected in the National Environmental Policy Act of 1969 and related legislation.

COMMITTEE RECOMMENDATIONS

For the Agricultural Conservation Program, the Committee recommends an appropriation of \$182,369,000. This amount is the

same as the 1990 level, \$6,369,000 more than the budget request, and \$15,566,000 less than the House level.

For the Molokai agricultural development project, the Committee expects ASCS to use existing ACP funds to share irrigation system connection costs (including water meters, connecting pipe, and other installment charges) incurred by Hawaiian home land home-steaders.

The Committee notes the importance of the Lake Champlain basin special water quality projects in Vermont which have received special ACP funds and urges the Department to give increased attention to these and related projects in the region.

The Committee is aware of a proposed water quality project in Pembina, Walsh, and Cavalier Counties in North Dakota, and urges the Department to give increased attention to this project.

The Committee notes that a number of States provide funding for the construction of terraces and other conservation structures and practices. The Committee wishes to encourage conservation funding by States. Accordingly, the Committee believes that Federal funding should be made available to assist in the repair of damage to these conservation structures and practices caused by excessive rainfall, flooding or other natural disaster, even if the owner or operator of the land is required to maintain the structure or practice.

FORESTRY INCENTIVES PROGRAM

Appropriations, 1990.....	\$12,446,000
Budget estimate, 1991.....	12,446,000
House allowance.....	12,446,000
Committee recommendation.....	12,446,000

The Forestry Incentives Program [FIP] is authorized by section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103). Its objectives are to increase the Nation's production of sawtimber and pulpwood on nonindustrial private forest lands, to decrease, over time, expected shortages and rising prices of timber, and to help ensure effective use of available forest lands. Program objectives are met by providing cost share and technical assistance to landowners to encourage voluntary installation of forestry practices. The program shares up to 65 percent of the cost incurred by the landowner for tree planting and timber stand improvement.

COMMITTEE RECOMMENDATIONS

For the Forestry Incentives Program for fiscal year 1990, the Committee recommends an appropriation of \$12,446,000. This amount is the same as the 1990 appropriation, the budget request, and the House level.

WATER BANK PROGRAM

Appropriations, 1990	\$12,240,000
Budget estimate, 1991	10,498,000
House allowance	10,498,000
Committee recommendation	15,000,000

The Water Bank Program is authorized by the Water Bank Act, Public Law 91-559, approved December 19, 1970, and amended by Public Law 96-182, approved January 2, 1980. Its objectives are to conserve surface water; preserve and improve migratory waterfowl and wildlife-related resources; reduce runoff, soil, and wind erosion; improve flood control; contribute to improved soil moisture; reduce the acreage of land brought into agricultural production; retire land now in production; enhance landscape aesthetics; and promote comprehensive water management planning.

The Secretary enters into agreements with landowners and operators for the conservation of specified wetlands. The agreements are for 10 years with provision for renewal for additional periods. During the period of the agreement, the landowner agrees not to drain, burn, fill or otherwise destroy the wetland character of such areas. The Secretary makes annual payments to the owner or operator at a rate determined at the time of agreement and subject to review after 4 years and at the time of renewal.

COMMITTEE RECOMMENDATIONS

For the Water Bank Program, the Committee recommends an appropriation of \$15,000,000. This amount is \$2,760,000 more than the 1990 level, and \$4,502,000 more than the budget estimate and the House level.

EMERGENCY CONSERVATION PROGRAM

Appropriations, 1990	¹ \$29,927,000
Budget estimate, 1991	
House allowance	10,000,000
Committee recommendation	10,000,000

¹ \$10,000,000 of this amount was made available through the Watershed and Flood Prevention Operations account under the Soil Conservation Service.

The appropriation "Emergency Conservation Program" of the Agricultural Stabilization and Conservation Service funds the activities authorized by the Agricultural Credit Act of 1978 (Public Law 95-334). Under the program the Government shares the cost of carrying out approved practices to assist and encourage farmers to rehabilitate farmland damaged by natural disasters.

Assistance is made available to correct new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

COMMITTEE RECOMMENDATIONS

For the Emergency Conservation Program [ECP], the Committee recommends \$10,000,000. This amount is \$19,927,000 less than the 1990 level, \$10,000,000 more than the budget estimate, and the same as the House level.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Appropriations, 1990.....	\$10,341,000
Budget estimate, 1991.....	14,783,000
House allowance.....	14,783,000
Committee recommendation.....	14,783,000

The Colorado River Basin Salinity Control Program was established by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (Public Law 93-320). The program is a cooperative endeavor by the Agricultural Stabilization and Conservation Service [ASCS], Soil Conservation Service [SCS], and Extension Service [ES]. The program is to assist landowners and others in the Colorado River Basin in establishing on-farm irrigation management systems and related lateral improvement measures to decrease the salt load and sedimentation level in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico.

COMMITTEE RECOMMENDATION

For the Colorado River Basin Salinity Control Program, the Committee recommends \$14,783,000. This amount is \$4,442,000 more than the 1990 level and the same as the budget request and the House level.

CONSERVATION RESERVE PROGRAM

Appropriations, 1990.....	\$1,010,978,000
Budget estimate, 1991.....	1,878,038,000
House allowance.....	1,314,926,000
Committee recommendation.....	1,314,926,000

The Conservation Reserve Program [CRP] was mandated by sections 1231-1245 of the Food Security Act of 1985 (Public Law 99-198) to establish permanent cover on highly erodible cropland. The primary objectives of the CRP are to help farmers control critical soil erosion that occurs on about one-third of America's cropland and to decrease production of surplus agricultural commodities.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands on highly erodible land used to produce an agricultural commodity in the years 1981-85. Up to 45 million acres of highly erodible land may be entered into the reserve.

The program is administered by State and local ASC committees working under the general direction of ASCS. Technical assistance is provided by the Soil Conservation Service, the Forest Service, the Cooperative Extension Service, and other appropriate agencies.

In exchange for entering land into the reserve, program participants receive annual rental payments in cash or commodities, based on their accepted bids per acre and the number of acres

placed under 10-year contracts. In addition, farmers receive one-time payments of 50 percent of the eligible costs of establishing vegetative cover on the reserve acreage.

To facilitate CRP program implementation, use of the funds, services, and facilities of the Commodity Credit Corporation [CCC] was authorized for fiscal years 1986-87. In subsequent years, CCC funds could not be used for this purpose unless CCC had received, in advance, funds to cover such expenditures from appropriations made to carry out the program. Beginning in fiscal year 1988, funds for this program were requested to be appropriated in advance to CCC for rental, cost-sharing, and technical assistance payments. The Food Security Act of 1985 provided authority to enter into CRP contracts through crop year 1990. Appropriations will be requested annually to make rental payments through fiscal year 2000.

COMMITTEE RECOMMENDATIONS

For the Conservation Reserve Program [CRP], the Committee recommends \$1,314,926,000, \$563,112,000 less than the budget request, the same as the House level, and \$303,948,000 more than the 1990 level. The Committee notes that enrollment in the CRP is less than originally estimated and that a signup is not being held in fiscal year 1990. Thus, the reduction in the appropriation reflects more current and realistic assumptions. The Committee continues to support strongly the CRP and urges the Department to encourage further enrollment in the program.

TITLE III—DOMESTIC FOOD PROGRAMS

OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES

Appropriations, 1990.....	\$407,000
Budget estimate, 1991.....	¹ 485,000
House allowance.....	485,000
Committee recommendation.....	485,000

¹ The 1991 budget proposed that this activity be funded in a single account in Office of the Secretary.

The Office of the Assistant Secretary for Food and Consumer Services provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's food and consumer activities. The Office has oversight and management responsibilities for the Food and Nutrition Service, and Human Nutrition Information Service.

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Food and Consumer Services, the Committee recommends an appropriation of \$485,000, \$78,000 more than the 1990 amount, and the same as the budget estimate and the House level.

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service was established August 8, 1969, by Secretary's Memorandum No. 1659 and Supplement 1 pursuant to the authority contained in 5 U.S.C. 301 and the Reorganization Plan No. 2 of 1953.

The Food and Nutrition Service administers food assistance programs which provide access to a more nutritious diet for persons with low incomes and encourage better eating patterns among the Nation's children. The programs are:

Food Stamp Program.—Food stamps are issued to eligible low-income households to enable them to obtain a better diet by increasing their food purchasing power. The Food and Nutrition Service administers the program in cooperation with State welfare agencies and provides for the full cost of the food stamps themselves in addition to sharing direct and indirect administrative costs incurred by the States on a 50-50 basis. If, however, States reduce their error rates below the 5-percent level, they are eligible to receive enhanced administrative funding up to 60 percent. In addition, States receive 75 percent of their costs incurred for developing food stamp computer systems and 75 percent of their costs for fraud investigations and prosecutions. Funds for this program are provided by direct appropriation.

Child nutrition programs.—The child nutrition programs—the national school lunch, school breakfast, summer food service, and child and adult care food programs—provide funding for the service of nutritious meals to needy children and other children attending schools, child care institutions, and summer recreational programs as a means of safeguarding the health and proper physical development of the Nation's children. The Older Americans Act Amendments of 1987, Public Law 100-175, made adult day care centers eligible for reimbursement through the child care food program for meals served to persons over 60 years of age or to chronically impaired disabled persons. The Food and Nutrition Service works through State agencies, providing them with cash and commodities for use in preparing and serving meals, and administers the various child nutrition programs directly in cases where the State has chosen not to administer the programs. Funds for these programs are provided by direct appropriation and transfer from section 32.

Special Milk Program.—The Special Milk Program provides funding for milk service in schools, nonprofit child care centers, and camps which have no other federally assisted food programs. Since the enactment of the Child Nutrition Amendments of 1986, this provision does not apply to split-session kindergartens where children do not have access to the federally assisted food programs. This milk is provided to children either free or at a low cost. The Food and Nutrition Service provides cash subsidies to State-administered programs and directly administers the program in States which have chosen not to administer the program. Funds for this program are provided by direct appropriation.

Special supplemental food program [WIC].—The Special Supplemental Food Program for women, infants, and children [WIC] provides supplemental food to pregnant, postpartum, and breast-feeding women; infants; and young children up to 5 years of age who are found to be at nutritional risk. State departments of health receive cash grants from the Food and Nutrition Service for this activity. State and local administrative costs are based on a national monthly per person administrative grant for the program. Funds for this program are provided by direct appropriation.

Commodity Supplemental Food Program.—The Commodity Supplemental Food Program [CSFP] provides supplemental food to a target population similar to that of the WIC program and to the elderly at various locations. The foods, however, are purchased directly by the Department of Agriculture and distributed to eligible women, infants, and children up to 6 years of age through State and local agencies. The Food and Nutrition Service provides cash assistance to distributing agencies to offset their operating expenses at a rate of 15 percent of appropriated funding plus 15 percent of the value of commodities donated as part of the food package. Congress gave USDA authority to operate elderly feeding projects. Using CSFP local agency sites and various commodities provided through CSFP, these projects focus on volunteer delivery of food packages to homebound elderly persons. Funds for these programs are provided by direct appropriation.

Cash and commodities for selected groups.—The Food and Nutrition Service administers the Needy Family Program which pro-

vides nutritious agricultural commodities to eligible low-income households on or near Indian reservations and in the Trust Territory of the Pacific Islands. The program also helps to expand markets for food produced by American farmers. Monthly packages of USDA donated commodities are distributed to beneficiary households from local warehouse facilities. Participating agencies can order food items according to households' preferences. Participants receive information about nutrition, proper food storage, sanitary food preparation methods, and suggestions for using donated foods from nutritionists, county extension home economists, and other sources. Funds for this program are provided by direct appropriation.

The nutrition program for the elderly provides nutritious meals for elderly people. State agencies on aging designate area agencies on aging to plan and coordinate the nutrition program through local outlets. The State agencies on aging request USDA-donated foods, cash in lieu of food, or a combination of both to provide meals to the elderly at various sites. The amount of food or cash that USDA gives each State is based on the number of meals served in the program and the level of available funds. Funds for this program are provided by direct appropriation.

The commodity purchases for soup kitchens programs provides nutritious meals to needy homeless persons. State agencies are responsible for requesting USDA commodities only in quantities that can be efficiently used by public and charitable institutions which maintain an established feeding operation for the homeless. Storage and distribution of these commodities to local organizations are also the responsibility of the States. Funds for this program are provided by direct appropriations.

Nutrition assistance for Puerto Rico.—As a result of the Omnibus Reconciliation Act of 1981, the Food and Nutrition Service now provides the Commonwealth of Puerto Rico with a nutrition assistance block grant, which gives the Commonwealth broader flexibility to establish a food assistance program specifically tailored to the needs of its low-income households. Beginning July 1, 1982, the Commonwealth has been providing food assistance to low-income households in the form of cash grants, rather than coupons. The Omnibus Budget Reconciliation Act of 1982 prohibited the use of cash for nutrition assistance in the Commonwealth after fiscal year 1983. Public Law 98-204, approved December 2, 1983, postponed the effective date of the noncash provision until October 1, 1985. The noncash provision was then deleted by the Food Security Act of 1985 (Public Law 99-198).

Temporary Emergency Food Assistance Program [TEFAP].—The Temporary Emergency Food Assistance Program provides funding for the intrastate storage and distribution of USDA commodities. The funds are made available to State and local distributing organizations through grants administered by the Food and Nutrition Service. In addition, the Hunger Prevention Act of 1988 made \$120,000,000 available in fiscal year 1990 to purchase and process additional commodities for household distribution.

Under this program, assistance may be provided through the distribution of commodities and cash subsidies to charitable institutions, food banks, hunger centers, soup kitchens, and similar non-

profit eligible recipient agencies providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

The allocation of commodities and administrative funds to the States is based upon a formula which considers the States' unemployment level and the number of persons with incomes below the poverty level.

Food Program administration.—This account provides for the salaries and operating expenses of the Food and Nutrition Service. Headquarters of the Service is at Park Office Center in Alexandria, VA. The Food and Nutrition Service maintains the following seven regional offices: Burlington, MA; Robbinsville, NJ; Atlanta, GA; Chicago, IL; Dallas, TX; Denver, CO; and San Francisco, CA.

CHILD NUTRITION PROGRAMS

	Appropriation	Transfer from sec. 32	Total
Appropriations, 1990.....	\$730,882,000	\$4,156,554,000	\$4,887,436,000
Budget estimate, 1991.....	473,575,000	4,632,259,000	5,105,834,000
House allowance.....	569,038,000	4,696,501,000	5,265,539,000
Committee recommendation.....	880,698,000	4,596,501,000	5,577,199,000

The child nutrition programs, authorized by the National School Lunch Act and the Child Nutrition Act of 1966, subsidize meals served to children. The programs reach children not only through schools but also through a variety of other institutions. The Supplemental Appropriations Act of 1987, Public Law 100-71, eliminated the tuition cap on any nonprofit private schools allowing all such schools to participate in the National School Lunch Act and the Child Nutrition Act.

The Child Nutrition and WIC Reauthorization Act of 1989, Public Law 101-147, contained a number of child nutrition provisions. These include:

Summer Food Service Program [SFSP].—Reauthorized and expanded SFSP to private, nonprofit organizations under certain conditions.

School Breakfast Program [SBP].—Provided start-up grants for programs serving low-income children.

Child and Adult Care Food Program [CACFP].—Provided funds for demonstration projects to expand services to homeless children and family day-care homes in low-income areas.

National School Lunch Program [NSLP].—(1) Mandated unified system for compliance and accountability which would integrate Federal and State efforts and provide for increased Federal monitoring of SFSP operations; (2) authorized the Food Service management Institute to improve school food service operations.

Nutrition Education and Training [NET].—Required demonstration projects and studies to examine a number of program issues and increased the authorization level. A general description of the programs follows:

1. Cash payments to States.—The programs are operated under an agreement entered into by the State agencies and the Department. Funds are made available under letters of credit to State agencies for use in reimbursing participating schools and other institutions. Sponsors make application to the State agencies, and if approved, are reimbursed on a per-meal basis in accordance with the terms of their agreements and rates prescribed by law. The reimbursement rates are adjusted annually to reflect changes in the Consumer Price Index for Food Away From Home.

(a) School Lunch Program.—Assistance is provided to the States for the service of lunches to all school children, regardless of family income. States must match some of the Federal cash grant. In fiscal year 1990, the School Lunch Program will provide assistance for serving an estimated 4,079,000,000 school lunches including 2,154,000,000 for children from upper-income families and 1,925,000,000 for children from lower and low-income families. Schools which, in the second previous fiscal year, served at least 60 percent of their lunches at free or reduced prices receive an additional 2 cents per meal assistance. An estimated 24,400,000 children are expected to participate in the program daily during the school year.

(b) Special assistance for free and reduced price lunches.—Additional assistance is provided to the States for serving lunches free or at a reduced price to needy children. In fiscal year 1990 under current law, the program will provide assistance for about 1,925,000,000 lunches, of which 1,657,000,000 will be served free of charge and 268 million at reduced price. Approximately 12 million needy children will participate in the program on an average school day during the year.

(c) School Breakfast Program.—Federal reimbursement to the States is based on the number of breakfasts served free, at a reduced price, or at the general rate for those served to non-needy children. Certain schools, designated in severe need, because, in the second preceding year, they served at least 40 percent of their lunches at free or reduced prices and because the regular breakfast reimbursement is insufficient to cover costs, receive higher rates of reimbursement in both the free and reduced price categories. In fiscal year 1990, the program will serve an estimated 671 million breakfasts to a daily average of 4 million children.

(d) State administrative expenses.—The funds may be used for State employee salaries, benefits, support services, and office equipment. Public Law 95-627 made the State administrative expenses grant equal to 1½ percent of certain Federal payments in the second previous year. In fiscal year 1990, \$60,647,000 will be allocated among the States to fund ongoing State administrative expenses and to improve the management of the various nutrition programs. The Child Nutrition Amendments of 1986 authorize the use of up to three pilot projects to evaluate the benefits of contracting out for the administration of the child nutrition programs in States where the Food and Nutrition Service currently administers these programs.

(e) Summer Food Service Program.—Meals served free to children in low-income neighborhoods during the summer months

are supported on a performance basis by Federal cash subsidies to State agencies. Funds are also provided for related State and local administrative expenses. During the summer of 1990, approximately 91 million meals will be served.

(f) *Child and Adult Care Food Program.*—Preschool children receive year-round food assistance in nonprofit child care centers and family and group day care homes under this program. Public Law 97-35 permits profitmaking child care centers receiving compensation under title XX of the Social Security Act to participate in the program if 25 percent of the children served are title XX participants. Certain adult day-care centers are also eligible for participation in this program, providing subsidized meals to nonimpaired individuals age 60 years or older. The Child and Adult Care Food Program reimburses State agencies at varying rates for breakfasts, lunches, suppers, and meal supplements and for program-related State audit expenses. In fiscal year 1990, approximately 960 million meals will be served.

2. *Commodity procurement.*—Commodities are purchased for distribution to the School Lunch, Child Care Food, and Summer Food Service Programs. The minimum commodity support rate for all school lunch and child care center lunches and suppers served is mandated by law and adjusted annually on July 1 to reflect changes in the producer price index for food used in schools and institutions. The commodities purchased with these funds are supplemented by commodities purchased with section 32 funds.

3. *Nutrition studies and education.*—

(a) *Nutrition studies and surveys.*—In fiscal year 1990, the funds appropriated for this purpose will be used for several studies. Included among these are a dietary assessment of child nutrition programs and studies of food service management companies and the Adult Day Care Program; demonstrations to increase low-income participation in Child and Adult Care Food Program [CACFP] and to serve children in shelters; studies of alternative counting procedures in the National School Lunch Program [NSLP]; and reports on paperwork reduction.

(b) *Nutrition education and training.*—Public Law 95-166 instituted a program of grants to the States for nutrition education in schools. In fiscal year 1990, \$5,000,000 will be made available to the States for nutrition education and training.

COMMITTEE RECOMMENDATIONS

For the child nutrition programs, the Committee recommends an appropriation of \$880,698,000 plus transfers from section 32 of \$4,696,501,000 for a total program of \$5,577,199,000. This amount is \$689,763,000 more than the fiscal year 1990 program level, the same as the budget request, and \$311,660,000 more than the House level.

The Committee's recommendation provides for the child nutrition programs at the following annual rates:

Total obligatory authority

Child nutrition programs:	Amount
School Lunch Program.....	\$3,380,676,000
School Breakfast Program.....	638,996,000
State administrative expenses.....	63,103,000
Summer Food Service Program.....	179,957,000
Child Care Food Program.....	1,045,346,000
Commodity procurement.....	253,097,000
Nutrition studies and surveys.....	3,085,000
Nutrition education and training.....	7,500,000
Federal review system.....	3,653,000
Food Service Management Institute.....	1,786,000
Total available.....	5,577,199,000

The Committee concurs with the House in providing an increase of \$2,500,000 for the Nutrition Education and Training [NET] Program to provide nutrition guidance to teachers and school food service personnel. It is expected that the Food Service Management Institute in Mississippi will consult with NET State directors, coordinate in updating and disseminating nutrition education materials, and aid both NET and EFNEP in their outreach efforts. The Committee provides \$1,786,000 for the Food Service Management Institute, \$1,286,000 above the House, noting that in serving as a clearinghouse for operation of school and commodity services programs, its activities will compliment and supplement existing training and outreach programs.

For the Federal review system, the Committee recommends \$3,653,000, the same as the House and \$2,000,000 less than recommended in the budget.

To accommodate larger than expected participation and food prices, \$1,045,346,000 is provided for the child and adult care food programs, the same as the budget request and \$92,240,000 more than the amount provided by the House.

Funds for State administrative expenses are reduced to \$63,103,000, \$1,286,000 below the House recommendation of \$64,389,000.

The Committee recommends that FNS undertake a longitudinal study of the School Lunch Program, assessing its benefits and reviewing the impact of reductions in bonus commodities, the increase in administrative responsibilities by food service managers, the level of indirect costs assumed by local schools, the prices charged for meals, and the trends and reasons for schools opting out of the Federal program.

SPECIAL MILK PROGRAM

Appropriations, 1990.....	\$20,309,000
Budget estimate, 1991.....	19,268,000
House allowance.....	19,268,000
Committee recommendation.....	19,268,000

The Special Milk Program is authorized by section 3 of the Child Nutrition Act of 1966, as amended. It subsidizes institutions for milk consumed by students in nonprofit schools of high school grade or under, summer camps, and similar institutions that do not participate in another meal service program authorized by the Child Nutrition Act or the National School Lunch Act. Effective

October 1, 1986, based on authority in Public Law 99-661, children in split session kindergarten programs in nonprofit schools who do not have access to the meal service programs operating in those schools may participate in the Special Milk Program.

In fiscal year 1990 approximately 198,989,000 half-pints will be served in the Special Milk Program. These include about 187,953,000 half-pints served to children whose family income is above 130 percent of poverty and about 11,036,000 half-pints served free to children whose family income is at or below 130 percent of poverty. During fiscal year 1990, the average full cost reimbursement for milk served to needy children is expected to be 15.2 cents for each half-pint. Milk served to nonneedy children is expected to be reimbursed at 10.25 cents for each half-pint.

COMMITTEE RECOMMENDATIONS

For the Special Milk Program, the Committee has recommended \$19,268,000 to fund the program fully in those institutions which are eligible. This amount is \$1,041,000 less than the 1990 level and the same as the budget request and the House level. The appropriation combined with carryover funds of over \$2,950,000 from 1990, will allow for a total program of approximately \$19,268,000 for 1991.

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN [WIC]

Appropriations, 1990	\$2,125,958,000
Budget estimate, 1991	2,215,248,000
House allowance	2,350,000,000
Committee recommendation.....	2,350,000,000

The Special Supplemental Food Program for Women, Infants, and Children [WIC] is authorized by section 17 of the Child Nutrition Act of 1966. The program makes funds available to local health clinics through State departments of health and to Indian tribes to provide supplemental foods to low-income pregnant, postpartum, and breast-feeding women, infants and children up to 5 years of age who are determined by competent medical or nutritional professionals to be at nutritional risk. In fiscal year 1990 the program funds are expected to support an average monthly participation of 4,600,000 participants at an average cost of \$38.12—per person per month.

The WIC program food packages are designed to provide foods which studies have demonstrated are lacking in the diets of the WIC program target population. The authorized supplemental foods are iron-fortified infant formula, infant cereal, milk, cheese, eggs, iron-fortified breakfast cereal, fruit or vegetable juice which contains vitamin C, dry beans and peas, and peanut butter.

There are three general types of delivery systems for WIC foods: (1) retail purchase in which participants obtain supplemental foods through retail stores; (2) home delivery systems in which food is delivered to the participant's home; and (3) direct distribution systems in which participants pick up food from a distribution outlet. The food is free of charge to all participants.

The Child Nutrition and WIC Reauthorization Act of 1989, Public Law 101-147, changed the administrative formula for State program administrative costs from 20 percent of total available funds to a national monthly per person administrative grant associated with the WIC Program. These costs include certifying participant eligibility, food delivery, and warehousing, monitoring, nutrition education, outreach, startup cost, and general administration by the State agency. Not less than one-sixth of these administrative funds must be used for nutrition education activities.

Public Law 101-147 makes one-half of 1 percent of program funds, not to exceed \$5,000,000 available to the Secretary for evaluation of program performance.

Public Law 101-147 also contains cost containment initiatives to expand participation. (1) It required State agencies with retail food delivery systems to use a competitive bidding system or a system with equal savings for the procurement of infant formula. Savings are to be used to expand program participation. (2) It permitted States with an approved cost containment system to use first quarter funds to cover obligations incurred during the fourth quarter of the preceding fiscal year.

COMMITTEE RECOMMENDATIONS

For the Special Supplemental Food Program for Women, Infants, and Children [WIC], the Committee recommends an appropriation of \$2,350,000,000. This amount is \$224,042,000 more than the 1990 appropriation, \$134,752,000 more than the budget estimate, and the same as the House level.

The Committee rejects the House recommendation to retain \$25,000,000 of the recommended \$2,350,000,000 appropriation for WIC in a special reserve available only at the Secretary's request.

Despite substantial increases in the 1990 WIC appropriation, unexpected food price increases in the second and third quarters resulted in strains on State program grants. To avert crises necessitating emergency legislation in the future, the Committee recommends that FNS consult regularly with State program directors so that they are informed of food price fluctuations, alternative food package items, and management guidance that will aid in maintaining participation.

The Secretary is encouraged to assist States in developing multi-state or regional contracts for price concessions on components of the WIC food package, particularly to help small or rural States take advantage of reduced food costs to increase participation.

Based on concern about the impact reductions in infant formula rebate savings will have on long-term WIC program participation, the Committee expects the Department to conduct a study of the most cost-effective means for procuring infant formula for the WIC program, including national and regional, sole-source, open-market, competitive, and fixed-price contracts and production of infant formula by public or nonprofit entities. The report will be provided to the Appropriations Committees by May 1991.

The Committee recommends up to \$3,500,000 for the farmers market program, an increase of \$1,500,000 over the grants awarded to demonstration projects in 1990.

The Committee directs the Secretary to study the procedures used to determine the amounts that infant formula manufacturers are billed for rebates under cost containment systems and to report findings of the study by no later than 9 months after enactment of this legislation.

COMMODITY SUPPLEMENTAL FOOD PROGRAM [CSFP] ¹

Appropriations, 1990.....	\$68,128,000
Budget estimate, 1991.....	62,932,000
House allowance.....	81,928,000
Committee recommendation.....	81,928,000

¹ The 1991 budget proposed for this activity to be funded in the food donations programs for selected groups.

The Commodity Supplemental Food Program [CSFP] is authorized by section 4(a) of the Agricultural and Consumer Protection Act of 1973, as amended in 1981 by Public Law 97-98. This program provides supplemental foods to infants and children up to age 6 and to pregnant, postpartum, and breast-feeding women and to senior citizens who have low incomes and are residing in approved project areas.

In fiscal year 1990 approximately 165,092 women, infants, and young children and 106,754 elderly are authorized to receive food packages each month. The foods are provided by the Department of Agriculture for distribution through State agencies. The authorized commodities are iron-fortified infant formula, rice cereal, canned juice, evaporated milk and/or nonfat dry milk, canned vegetables or fruits, canned meat or poultry, egg mix, dehydrated potatoes, farina, and peanut butter or dry beans. Elderly participants may receive all commodities except iron-fortified infant formula and rice cereal.

States are given 15 percent of the Federal funds appropriated and, according to the Food Security Act of 1985 (Public Law 99-198), enacted December 23, 1985, 15 percent of the value of donated commodities to cover administrative costs. Allowable administrative costs include nutrition education, warehousing, food delivery, participant certification, and other costs associated with State and local administration of the program.

The Agriculture and Food Act of 1981 (Public Law 97-98) authorized the institution of two pilot commodity distribution projects directed at low-income elderly persons. Detroit, MI, and Des Moines, IA, were selected as pilot sites. A third project, authorized by the 1983 Agriculture Appropriations Act (Public Law 97-370) was established in New Orleans, LA, in December 1982. The Food Security Act of 1985 (Public Law 99-198) authorized all CSFP sites to serve the elderly.

COMMITTEE RECOMMENDATIONS

For the Commodity Supplemental Food Program [CSFP], the Committee recommends an appropriation of \$81,928,000, \$13,800,000 more than the 1990 level, \$18,996,000 more than the budget request, and the same as the House level.

Noting the disruption that fluctuations in the price and availability of commodities have on CSFP, the Committee finds it imper-

ative that FNS consult on a regular basis with program directors and assist in providing alternatives for retaining the nutritional value of food packages without reductions in participation.

The Committee expects the FNS to review the Delaware County, PA, application for CSFP.

FOOD STAMP PROGRAM

Appropriations, 1990	\$16,906,339,000
Budget estimate, 1991	18,578,168,000
House allowance	19,038,806,000
Committee recommendation	19,050,901,000

The Food Stamp Program, which is authorized through September 30, 1990, by the Food Security Act of 1985, helps individuals and families with low incomes to obtain a more nutritious diet. Eligible participants are entitled to food stamp allotments based on their household size and net income after provision has been made for certain deductions. The food stamps increase the food purchasing power of eligible households and thus enable them to attain a better diet than would have been possible without the assistance of the Food Stamp Program.

The Food Stamp Program is currently in operation in all 50 States, the District of Columbia, the Virgin Islands, and Guam. Participating households receive food stamps whose value is determined by household size and income. The cost of the stamps is paid by the Federal Government and is called benefit cost. As required by law, the food stamp allotments for the various household sizes are periodically revised to reflect changes in the cost of the thrifty food plan. The last revision was made on October 1, 1988.

The State social service agencies are responsible for certifying eligible households and issuing the food stamps. Authorized grocery stores accept the stamps as payment for food purchases and forward them to commercial banks for cash or credit. The stamps flow through the banking system to the Federal Reserve Bank for redemption out of a special account maintained by the U.S. Treasury Department.

In fiscal year 1990 an average of approximately 20 million persons are expected to participate in the program monthly and receive stamps worth an average of \$59.31 each month.

NUTRITION ASSISTANCE FOR PUERTO RICO

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) authorized a block grant for nutrition assistance to Puerto Rico which gives the Commonwealth broad flexibility to establish a food assistance program that is specifically tailored to the needs of its low-income households. However, the Commonwealth must submit its annual plan of operation to the Secretary for approval. The Food Security Act of 1985 (Public Law 99-198), enacted December 23, 1985, reauthorizes appropriations through fiscal year 1990. In addition to the provision of direct benefits to the needy, a portion of the grant may be used to fund up to 50 percent of the costs of administering the program. The grant may also be used to fund

projects to improve agriculture and food distribution in Puerto Rico.

ADMINISTRATIVE COSTS

Since October 1, 1984, all direct and indirect administrative costs incurred for certification of nonpublic assistance households, issuance of food stamps, quality control, and fair hearing efforts have been shared by the Federal Government and the States on a 50-50 basis. States may receive 60 percent Federal funding of administrative costs if their error rates are below 6 percent and a reasonable rate of invalid decisions is attained. Under the Hunger Prevention Act of 1988, a State agency is held liable if its error rate of overissuances and payments to ineligible households plus its rate for underissuances exceeds the lowest ever achieved national error rate average plus 1 percent. Liabilities are based on the level of State issuance and the extent to which the State's error rate exceeds a tolerance level. Federal funding for 75 percent of automation costs incurred by State agencies is authorized by law.

State administration also includes State antifraud activities. Under the provisions of the Food Stamp Act of 1977, States are eligible to be reimbursed for not less than 75 percent of the costs of their food stamp fraud investigations and prosecutions. Of the funds appropriated for State administration, \$69,291,000 has been budgeted to cover State antifraud activities in fiscal year 1990.

States are required to implement an employment and training program for the purpose of assisting members of households participating in the Food Stamp Program in gaining skills, training, or experience that will increase their ability to obtain regular employment. In fiscal year 1987, the Department of Agriculture implemented a new grant program to States to assist them in providing employment and training services. The Department will pay the States at least \$149,378,000 to operate work programs in fiscal year 1990.

COMMITTEE RECOMMENDATIONS

For the Food Stamp Program, the Committee recommends \$19,050,901,000, \$2,144,562,000 more than the 1990 level, \$472,733,000 more than the President's budget request, and \$12,095,000 more than the House amount. The Committee concurs with the House in requiring that a portion of these funds shall become available only to the extent an official budget request, for a specific dollar amount, is transmitted to the Congress, but changes the amount in reserve to \$823,513,000 rather than \$2,100,000,000 as proposed by the House.

For the Nutrition Assistance for Puerto Rico Program, the Committee recommends \$974,220,000, \$12,095,000 more than the House and \$37,470,000 more than the 1990 level. The budget proposed to fund this program at \$825,000,000 under the Department of Health and Human Services. The Committee concurs with the House in retaining the Food Stamp Program and the Nutrition Assistance for Puerto Rico Program in a single account.

The Committee has provided \$10,825,000 for the cattle tick eradication project in Puerto Rico, the level available in 1990 and pro-

vided by the House. Under the current program, the Animal Plant and Health Inspection Service [APHIS] conducts oversight on the eradication efforts of the Puerto Rico Department of Agriculture. The Committee recommends that such oversight continue, without transfer or reduction of the funds received by Puerto Rico to operate the program. Therefore, bill language similar to that used in 1990 has been restored rather than transferring the funds to APHIS, as proposed by the House.

The Committee finds that nutrition education is a vital component to improving health for low-income families and expects the Department to set aside funds for cooperative innovative nutrition outreach programs to be coordinated with the Food Service Management Institute and the Extension Service.

In 1990, Food Stamp Program participation exceeded 20 million for the first time since 1985. With participation expected to remain at least at that level, combined with benefit increases of about \$2,000,000,000, and a rise in accompanying State administrative costs, the Committee reiterates the importance of timely, detailed notification of changes affecting the fiscal year appropriation for the Food Stamp Program. The Committee directs the Department to continue to submit data on participation, food prices, error rate collections, and other factors requiring additional appropriations, in an amount specific, to the Congress on a regular basis.

In setting Food Stamp Program allotments for Hawaii and Alaska, the Secretary shall use the average thrifty food plan [TFP] cost in the preceding January to June period, adjusted upward to reflect the percentage difference between the June TFP cost and the average monthly TFP cost for January through June in those years for which such information is available.

The Committee expects that food coupons used in the Food Stamp Program will continue to be manufactured and printed in the United States.

CASH AND COMMODITIES FOR SELECTED GROUPS

Appropriations, 1990	\$243,062,000
Budget estimate, 1991	256,738,000
House allowance	260,138,000
Committee recommendation	260,138,000

The cash and commodities for selected groups appropriation funds the food distribution program on Indian reservations; the continuation of food assistance to residents of the Federated States of Micronesia, Marshall Islands, and the Republic of Palau; and the nutrition program for the elderly.

Food distribution programs on Indian reservations and in the Pacific Islands.—The Food and Agriculture Act of 1977 authorized the distribution of agricultural commodities to eligible needy persons residing on or near Indian reservations or in the Trust Territories of the Pacific. The act requires that a food distribution program be established on an Indian reservation if an Indian tribal organization [ITO] requests the program. If the ITO is capable of administering the program, it may do so in lieu of administration by a State agency. Public Law 97-98 authorized low-income Indian

households residing in Oklahoma and not living on a reservation to participate in the program.

The Compact of Free Association Act of 1985 as amended and the compact approved by the peoples of the Federated States of Micronesia and the Marshall Islands established them as freely associated States. For transition purposes, food assistance will continue in fiscal year 1989 but at reduced levels, except in the nuclear affected zones of Bikini and Enewetak, as prescribed in the act. Food assistance for Palau will continue at normal levels until the residents of Palau approve their compact.

In fiscal year 1990 participation in the food distribution program on Indian reservations is expected to average about 143,000 per month. It is estimated that 520 residents of the former trust territories will receive food assistance in fiscal year 1990.

The foods made available to the distributing agencies include canned meat, fruit, vegetables and juice, flour, rice, evaporated milk, dry milk, and shortening. To the extent that surplus price-support commodities are available and can be used and not wasted, the Commodity Credit Corporation [CCC] donates them for use in this program. In fiscal year 1990 the cost of the food package distributed on Indian reservations will average about \$29.48 per person per month. The cost of the package includes the value of commodities donated by CCC.

Cash payments are made to distributing agencies to assist them in meeting the administrative expenses incurred in operating a food distribution program. Included among these costs are local warehousing and transportation of commodities, utilities, salaries, and equipment.

Nutrition program for the elderly.—Commodity support for the nutrition program for the elderly is authorized by titles III and VI of the Older Americans Act of 1965. The foods provided are used in preparing meals which are served in senior citizen centers and similar settings or delivered to the home-bound elderly. These meals are the focal point of the nutrition projects for the elderly which have the dual objectives of promoting better health and reducing the isolation of old age.

Currently, commodities or cash in lieu of commodities are distributed through State agencies to the local meal sites at a specific rate per meal set by law. Public Law 100-175 set the rate at 56.76 cents per meal through fiscal year 1991. Some States elect to take all of their subsidy in cash and some States choose to receive a combination of cash and commodities. The commodities made available to the nutrition program for the elderly are generally the same as those provided to schools under the child nutrition programs.

Although originally a program to distribute nutritious surplus commodities to senior meal sites, the program evolved into a cash subsidy program. Almost 94 percent of program resources are distributed to meal providers in cash, on a per meal reimbursement basis.

Commodity purchases for soup kitchens.—The Hunger Prevention Act of 1988 authorizes the purchase and distribution of 40,000,000 dollars' worth of commodities to soup kitchens and food banks in fiscal year 1990. Commodities are distributed to the States which,

in turn, provide them to public and charitable institutions which provide food to needy homeless persons on a regular basis as an integral part of their activities.

Distribution of commodities and payments for storage are the responsibility of State distribution agencies. States are responsible for requesting commodities only in quantities that can be efficiently used by these institutions, managing the distribution of commodities to local organizations, and ensuring that the organizations comply with all Federal program regulations and requirements. In addition, States are responsible for allocating administrative funds received under the Temporary Emergency Food Assistance Program [TEFAP] to TEFAP emergency feeding organizations, soup kitchens, and food banks.

COMMITTEE RECOMMENDATIONS

For the programs of the cash and commodities for selected groups, the Committee recommends an appropriation of \$260,138,000. This amount is \$17,076,000 more than the 1990 appropriation, \$3,400,000 more than the budget request, and the same as the House level. Of this amount, \$78,241,000 is for the food distribution program on Indian reservations, \$149,897,000 is for expansion of the elderly feeding program, and \$32,000,000 is for the purchase of additional commodities for soup kitchens and food banks.

Responding to a Government Accounting Office review of commodity programs on Indian reservations, the Committee expects that specific measures will be taken to address critical nutrition needs of native Americans. The Committee expects that outreach and public information activities will be expanded to include: nutrition bulletins specifically tailored to Indian health problems, cautionary nutrition labels on commodities, expiration dates on food package items, public information distinguishing eligibility rules for food stamps and the commodity programs, and basic nutrition education. It is expected that FNS activities will be coordinated with the Extension Service and the Food Service Management Institute.

For soup kitchens and food banks, while the Committee expects commodity distributions for the homeless to be a priority, it does not intend to limit distributions to others in need, as determined by recipient agencies.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

Appropriations, 1990	\$169,395,000
Budget estimate, 1991	170,000,000
House allowance	170,000,000
Committee recommendation.....	170,000,000

Title II of Public Law 98-8, enacted March 3, 1983, authorized and appropriated funds for costs of intrastate storage and transportation of CCC commodities donated to families. The Hunger Prevention Act of 1988 authorized \$50,000,000 for this purpose in fiscal year 1990 and \$120,000,000 for the purchase and distribution of additional commodities high in nutrient content.

Funds are administered by the Food and Nutrition Service through grants to State agencies which operate commodity distribution programs. Allocation of the funds to States is based on a formula which considers the States' unemployment rates and the number of persons with incomes below the poverty level.

In fiscal year 1989, over 135,160,000 dollars' worth of surplus commodities were distributed to assist needy individuals. Donations continue in fiscal year 1990. Precise levels depend upon the availability of surplus commodities and requirements regarding market displacement.

COMMITTEE RECOMMENDATIONS

For the Temporary Emergency Food Assistance Program [TEFAP], the Committee recommends an appropriation of \$170,000,000. This amount is the same as the budget request and the House level, and \$605,000 more than the 1990 level.

In fiscal year 1991, the Committee encourages the Department to maintain at least the same level of peanut butter purchases for the Temporary Emergency Food Assistance Program as in 1990, noting that peanut butter is of high nutritional quality, is convenient to use and store, and is well received by recipient agencies.

FOOD PROGRAM ADMINISTRATION [FPA]

Appropriations, 1990.....	\$91,727,000
Budget estimate, 1991.....	96,778,000
House allowance.....	96,778,000
Committee recommendation.....	96,778,000

Federal expenses associated with administration of the Food and Nutrition Service [FNS] programs are provided in the FPA appropriation. These expenses involve program and policy development, program monitoring, assistance to State agencies which actually operate the programs and general management support. Costs directly associated with delivery of benefits to participants are generally shared with the States and are funded from the individual program appropriations. Direct Federal operation of programs is provided through the FPA appropriation only in certain cases where a State is prohibited by law from disbursing program funds or where no State agency has assumed administrative responsibility.

The following programs are administered by FNS: Child Nutrition Programs, Special Milk Program, Special Supplemental Feeding Program for Women, Infants, and Children [WIC], Commodity Supplemental Food Program [CSFP], Food Stamp Program, Nutrition Assistance for Puerto Rico, and the Cash and Commodities for Selected Groups.

COMMITTEE RECOMMENDATIONS

For food program administration, the Committee recommends an appropriation of \$96,778,000. This amount is \$5,051,000 more than the 1990 level and the same as the House level and budget request.

HUMAN NUTRITION INFORMATION SERVICE

Appropriations, 1990	\$9,031,000
Budget estimate, 1991	10,705,000
House allowance	9,923,000
Committee recommendation	9,923,000

The Human Nutrition Information Service [HNIS] was established October 1, 1981, by the Secretary's Memorandum No. 1000-1 issued pursuant to Reorganization Plan No. 2 of 1953 (7 U.S.C. 2201). The functions of this agency were formerly carried out in the Agricultural Research Service. HNIS activities fall into one major category: Research, analysis, and technical assistance which is concerned with the conduct and interpretation of applied research in human nutrition to improve professional and public understanding of the nutritional adequacy of diets and food supplies. It is also concerned with the nutritive value of food and the development of knowledge needed to improve the nutritional quality of diets, thereby improving the general health of the American public.

The agency has primary responsibility for the Department's role in the National Nutrition Monitoring System and in formulating dietary guidelines for healthy Americans. It is the primary national resource for information on the nutritive value of foods.

COMMITTEE RECOMMENDATIONS

For the Human Nutrition Information Service, the Committee recommends \$9,923,000, \$782,000 less than the budget estimate, \$892,000 more than the level provided in 1990, and the same as the House level.

The Committee directs the Human Nutrition Information Service to coordinate with the human nutrition centers of the Agricultural Research Service [ARS] in interpreting research, providing dietary guidance, and disseminating information.

The Committee concurs with the House recommending that HNIS improve its efforts to enhance food safety and expects coordination with other agencies involved in the food safety initiative. In disseminating such information, the Committee expects use of networks established through EFNEP, NET, the Food Management Institute, and the Food Stamp Program.

TITLE IV—INTERNATIONAL PROGRAMS

FOREIGN AGRICULTURAL SERVICE

Appropriations, 1990.....	\$101,146,000
Budget estimate, 1991.....	102,741,000
House allowance.....	105,048,000
Committee recommendation.....	105,048,000

The Foreign Agricultural Service [FAS] was established on March 10, 1953, by Secretary's Memorandum No. 1320, supplement 1. Public Law 690, approved August 28, 1954, transferred the agricultural attachés from the Department of State to the Foreign Agricultural Service.

The agency maintains a worldwide agricultural intelligence and reporting service to provide U.S. farmers and traders with information on world agricultural production and trade that they can use to adjust to changes in world demand for U.S. agricultural products. This is accomplished through a continuous program of reporting by 75 posts located throughout the world covering some 108 countries.

The Foreign Agricultural Service analyzes agricultural information essential to the assessment of foreign supply and demand conditions in order to provide estimates of the current situation and to forecast the export potential for specific U.S. agricultural commodities. Published economic data about commodities are combined with attaché reports and subjected to analysis through advanced econometric techniques to generate these estimates.

In addition, the Service is now using advanced techniques for identifying, delineating, and assessing the impact of events which may affect the condition and expected production of foreign crops of economic importance to the United States. The crop condition activity relies heavily on computer-aided analysis of satellite, meteorological, agricultural, and related data.

The mission of FAS overseas is to represent U.S. agricultural interests, to promote export of domestic farm products, improve world trade conditions, and report on agricultural production and trade in foreign countries. FAS staff are stationed at foreign embassies in over 100 countries around the world where they provide expertise in agricultural economics and marketing, as well as provide attaché services.

The Foreign Agricultural Service works in conjunction with market development cooperators, trade associations, State departments of agriculture and their affiliates, and U.S. sales teams to develop foreign markets for U.S. farm products. FAS sponsors overseas trade exhibits to promote U.S. agricultural products, provides information about foreign importers, and performs a wide range of market development activities.

The Food Security Act of 1985 (Public Law 99-198) authorized several export assistance programs to counter the adverse effects of unfair trade practices by competitors on U.S. agricultural trade. The Export Enhancement Program uses CCC-owned commodities as export bonuses to provide export enhancements to U.S. producers. The Targeted Export Assistance [TEA] Program conducts both generic and brand-identified promotional programs in conjunction with nonprofit agricultural associations and private firms financed through reimbursable CCC certificates.

These programs are supplemented by the Cooperator Program, a joint FAS-nonprofit private trade and producer association partnership program developing strategies for U.S. agriculture export expansion. Nonprofit private trade and producer associations have generated an estimated \$960 in contributions to more than match the \$508 contributed by FAS to finance overseas market promotion activities under the Cooperator Program. In addition, GSM credit guarantee programs play an integral role in the recent progress of American agriculture in the world marketplace.

The Agricultural Trade Act of 1978 includes authority to establish up to 25 agricultural trade offices. Currently, 15 such offices are in operation at key foreign trading centers to assist U.S. exporters, trade groups, and State export marketing officials in trade promotion.

The Service initiates, directs, and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. It monitors international compliance with bilateral and multilateral trade agreements. It identifies restrictive tariff and trade practices which act as barriers to the import of U.S. agricultural commodities, then supports negotiations to remove them. It acts to counter and eliminate unfair trade practices by other countries that hinder U.S. agricultural exports to third markets.

COMMITTEE RECOMMENDATIONS

For the Foreign Agricultural Service, the Committee recommends an appropriation of \$105,048,000. This amount is \$3,902,000 more than the 1990 amount, \$2,307,000 more than the budget estimate, and the same as the House level.

The Committee concurs with the House in making \$225,000, the same as in 1990, available for a cooperative agreement with the Hawaii State Department of Agriculture under the FAS cooperator program for the promotion and marketing of tropical and subtropical products.

The Committee directs the Foreign Agricultural Service [FAS] to continue to work, in conjunction with the Agricultural Marketing Service, to expand the level of exports for sunflower seed and cottonseed oil. Progress in promoting exports of these oils will positively impact American production.

To enhance wood product exports, the Committee recommends \$500,000 be used for a wood export project, with emphasis on Georgia wood products.

The Committee recommends bill language that provides the Secretary of Agriculture with discretionary authority to grant the title

of Minister-Counselor to the senior Foreign Agricultural Service officer assigned to an Embassy of the United States overseas. The purpose of this provision is to assure diplomatic recognition necessary for the chief agricultural officer to conduct official business with host government officials and agribusiness representatives overseas in order to benefit the trade and agricultural interests of the United States. The statutory provision limits the number of Minister-Counselors serving simultaneously to 12.

The Committee notes that the administration proposes to reverse the modifications made in fiscal year 1990 to the Foreign Affairs Administration support system administered by the Department of State. The Committee concurs with this proposal and expects that future payments to the Department of State for administrative support will reflect this change.

AGRICULTURAL TRADE MISSIONS

Appropriations, 1990.....	\$197,000
Budget estimate, 1991.....	
House allowance.....	
Committee recommendation.....	

Agricultural trade and development missions were authorized by Public Law 100-202 in December 1987. The program was officially announced by the U.S. Department of Agriculture and a mission coordinator appointed on January 14, 1988.

The program is designed to encourage greater U.S. private sector and foreign country participation in U.S. agricultural trade and development programs. The goal of the program is to develop countries and customers for U.S. agricultural exports by offering specially designed combinations of U.S. trade and food assistance activities to selected countries.

Each mission meets with appropriate foreign and U.S. representatives in each country to offer technical expertise and to assist in planning the extent to which U.S. trade and development programs could be used to meet the food and economic needs of the country. The missions help obtain firm commitments for food aid programs and commodity sales.

The missions are chaired by the Secretary of Agriculture and include representatives from the U.S. Departments of Agriculture and State, the U.S. Agency for International Development, and representatives of the private sector, including private voluntary organizations and cooperatives.

COMMITTEE RECOMMENDATIONS

The Committee concurs with the House and budget request in recommending no funds for agricultural trade missions in 1991. The trade mission requirements of Public Law 100-202 will be fulfilled by the end of fiscal year 1990.

AMERI FLORA '92 EXPOSITION

Appropriations, 1990	
Budget estimate, 1991	
House allowance	\$500,000
Committee recommendation	

COMMITTEE RECOMMENDATIONS

The Committee does not concur with the House in providing \$500,000 for the first international horticulture exposition to be held in the United States April 3 through October 12, 1992.

PUBLIC LAW 480

Under Public Law 480, as amended, exports of available agricultural commodities are made to developing countries. Factors determining commodity availability are productive capacity, domestic requirements, farm and consumer price levels, anticipated commercial exports, and adequate carryover. No commodity is available for disposition if it would reduce the domestic supply below that which is needed to meet domestic requirements, adequate carryover, and anticipated exports for dollars, unless the Secretary determines that some part of the supply should be used for urgent humanitarian purposes.

No commodities may be made available except upon determination that adequate storage facilities are available in the recipient country at the time of exportation to prevent spoilage or waste and that the distribution will not be a substantial disincentive to the recipient country's domestic production. In carrying out this program, emphasis is placed on assistance to those countries that are determined to help themselves by improving their agricultural production and economic development.

Facilities and funds of the Commodity Credit Corporation are, by law, used in carrying out programs for exporting agricultural commodities. The law also authorizes appropriations to be made to cover the costs of such programs. When funds become available, advances are made to the Corporation for estimated costs. If the amounts appropriated are greater than actual needs, the excess is used to reduce future appropriation requests. Because of these various funding authorities, actual program levels vary from the amounts provided in the appropriations bill.

The following activities are currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended:

TITLES I AND III—CREDIT SALES

	Direct appropriation	Program level
Appropriations, 1990.....	\$305,622,000	\$848,963,000
Budget estimate, 1991.....	251,853,000	817,000,000
House allowance.....	314,853,000	880,000,000
Committee recommendation.....	314,853,000	880,000,000

Financing the sale of agricultural commodities for convertible foreign currencies, for dollars on credit terms, or for convertible foreign currency for use under section 108 of the act; and furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III) (7 U.S.C. 1701-1715, 1727-1727f).—Title I of the legislation authorizes financing of sales for convertible foreign currencies and for dollars on credit terms, including commodities exported under title III food for development programs. Sales for dollars or convertible foreign currencies may be made to foreign governments, or United States and foreign private trade entities. The legislation provides for credit terms that are as favorable to the United States as the economy of the foreign country will permit, but not less than the terms for development loans made under sections 122(a) and 122(b) of the Foreign Assistance Act of 1961, as amended.

Title I sales may also be financed for convertible foreign currencies to be loaned to financial intermediaries in the recipient countries. These funds would be reloaned to promote private enterprise institutions. Loans repaid by the financial intermediaries may be reloaned for private enterprise investment, used to develop new markets, pay U.S. obligations, or be converted to U.S. dollars.

Title I appropriated funds may also be used under the Food for Progress Act to furnish commodities on credit terms or on a grant basis to assist countries that have a commitment to introduce and expand free enterprise elements in their agricultural economies.

COMMITTEE RECOMMENDATION

For Public Law 480, titles I and III, the Committee recommends a program level of \$880,000,000. This amount is \$31,037,000 more than the 1990 level, \$63,000,000 more than the amount requested in the budget, and the same as the House level.

The Committee recommendation for titles I and III includes an appropriated level of \$314,853,000. This amount plus carryover balances of \$131,147,000 and receipts from repayments on long-term credit and sales of foreign currency of \$434,000,000 comprise the total recommended program level of \$880,000,000 for titles I and III.

TITLES II—COMMODITIES FOR DISPOSITION ABROAD

	Direct appropriation	Program level
Appropriations, 1990.....	\$672,599,000	\$672,599,000
Budget estimate, 1991.....	646,000,000	646,000,000
House allowance.....	696,000,000	696,000,000
Committee recommendation.....	696,000,000	696,000,000

Commodities supplied in connection with dispositions abroad (Title II) (7 U.S.C. 1721-1726).—Commodities are supplied without cost to developing countries to combat malnutrition, and to meet famine and other emergency requirements. The Corporation pays ocean freight on shipments under this title, and may also pay over-land transportation costs to a landlocked country, as well as internal distribution costs in emergency situations. Each year, up to \$7,500,000 of foreign currencies accruing under title I may be purchased from this appropriation to meet costs of self-help activities (other than personnel and administrative) of cooperating groups.

COMMITTEE RECOMMENDATION

For title II of Public Law 480, the Committee recommends an appropriation of \$696,000,000. This amount is \$23,401,000 more than the amount available in 1990, \$50,000,000 more than the budget request, and the same as the House level. The Committee concurs with the House inclusion of statutory language limiting transfer authority between title II and titles I and III to 10 percent.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

Appropriations, 1990.....	\$6,041,000
Budget estimate, 1991.....	4,893,000
House allowance.....	5,268,000
Committee recommendation.....	7,268,000

The Office of International Cooperation and Development [OICD] was established by Secretary's Memorandum No. 1947, dated May 1, 1978.

The mission of OICD is to promote U.S. agriculture and to advance the agriculture of developing countries as parts of a complementary global agricultural system capable of providing ample food and fiber for all people. To accomplish this mission, OICD applies USDA policies and U.S. agricultural perspectives in its programs of international agricultural cooperation and development, and in its work with foreign countries, international organizations, U.S. universities and other institutions, agencies of the U.S. Government, and the U.S. private sector.

COMMITTEE RECOMMENDATIONS

For the Office of International Cooperation and Development, the Committee recommends an appropriation of \$7,268,000. This amount is \$1,227,000 more than the 1990 level, \$2,375,000 more than the budget estimate, and \$2,000,000 more than the House level.

The Committee provides \$250,000 for an agricultural information exchange program with Ireland as authorized by section 1420 of the Food Security Act of 1985. This amount is an increase of \$125,000 over the 1990 level.

For the Associate Professional Officers Program, the Committee does not concur with the House in providing an increase of \$300,000 over the 1990 matched funding level of \$75,000 for monitoring of Foreign Agricultural Organization [FAO] activities.

The 1991 budget request did not include a specific proposal for the newly emerging democracies of Eastern Europe or the Soviet Union. The Committee encourages the Department to prepare, as a part of its 1992 budget, a description of future technical assistance and trade promotion activities for these nations.

MIDDLE-INCOME COUNTRY TRAINING PROGRAM

The Committee provides \$2,000,000 for the Middle-Income Country Training Program; neither the budget, nor the House recommended funding to continue this program. Begun in 1984, this program has fostered international goodwill founded on solid agricultural scientific and technical training exchanges, while expanding international marketing opportunities for American producers. The achievements of the program are further demonstrated by the willingness of participating nations to share in program costs.

Noting the critical need for agricultural production and marketing assistance in newly emerging democracies, such as those of Eastern Europe, the Committee expects that the Middle-Income Country Training Program will serve as a conduit for training foreign agricultural scientists and producers in modern techniques of cultivation, food production and processing, extension services, and marketing. The training programs will promote best management practices, develop market economies, strengthen faltering infrastructures, and foster agricultural trade with the United States.

SCIENTIFIC ACTIVITIES

The Committee directs the Office of International Cooperation and Development [OICD] to take the lead role on behalf of the Department of Agriculture in developing and participating in international integrated pest management programs through coordination with international and national government, academic, industry, and environmental groups. To this end, the Committee expects that pest resistance management practices will be a key focus of OICD efforts to ensure that international research and global networking is expanded. In collaboration with the Environmental Protection Agency and other Department of Agriculture agencies, OICD will focus on urgent problems affecting human health and environmental quality, while working to control agricultural pests and disease vectors worldwide.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

Appropriations, 1990	\$875,000
Budget estimate, 1991	
House allowance	875,000
Committee recommendation	1,250,000

As authorized by sections 104(b)(1) and 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended, USDA uses foreign currencies to support agricultural and forestry research on problems of mutual interest to the United States and participating foreign countries. OICD represents all USDA agencies in this activity. Since the program's inception in 1958, over 2,200 projects valued at approximately \$150,000,000 equivalent in foreign currency have been negotiated in 33 countries worldwide. The appropriation for scientific activities overseas is allotted as intergovernmental fund transfers when grants are obligated for cooperative research in foreign countries.

Research projects conducted abroad through grants negotiated with foreign research institutions and organizations are selected based on their relevance to priority U.S. agricultural concerns, such as preventing the incursion of animal diseases and exotic insects and developing plants that are drought tolerant, disease-resistant and more productive. Cooperative research benefits U.S. agriculture by developing markets for U.S. agricultural products and equipment, adding to knowledge of our environment, and cutting the cost of valuable research. It also provides access to unique agricultural ecosystems in order to study insects, weeds, and diseases which have entered the United States and have caused severe losses due to lack of biological control.

COMMITTEE RECOMMENDATION

For scientific activities overseas, the Committee recommends \$1,250,000, \$375,000 more than the amount available in 1990 and recommended by the House. The President's budget requested no funds. Expansion of the foreign currency program is necessary to provide an adequate pool of resources for OICD experts to access while conducting in-field technical assistance, scientific cooperative research, and education. The Committee encourages broadening of our agricultural information and research exchanges to developing nations and newly emerging democracies. The foreign currency program is vital to the successful result of these efforts.

TITLE V—RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

The mission of the Food and Drug Administration [FDA] is to ensure that (1) food is safe, pure, and wholesome; (2) cosmetics are safe; (3) human and animal drugs, biological products, and therapeutic devices are safe and effective; and (4) radiological products and use procedures do not result in unnecessary exposure to radiation.

Under the foods program, FDA sets food standards; evaluates food additives and packaging for potential health hazards; conducts research to reduce food-borne disease, to determine specific health impacts of hazardous substances in food and to develop methods for detecting them in foods; and maintains surveillance over foods through plant inspections, laboratory analyses, and legal action where necessary.

The drugs program includes the premarket review of human drugs and biological products in order to ensure their safety and efficacy, and the postmarketing monitoring of drug experience. FDA conducts manufacturer inspections and sample examinations to ensure industry compliance. Included under this program activity is the similar regulation of animal drugs, devices, and feeds as well as a program to assure the safety of animal-derived human foods.

The devices and radiological products program conducts premarket review and postmarket surveillance of medical devices to determine their safety and efficacy, and sets standards for the manufacture and use of radiological products to protect the public from unnecessary exposure to radiation. FDA monitors experience with medical devices, and conducts inspections of manufacturing plants and tests of radiological products to ensure compliance with regulations and standards.

For these three major product-oriented programs, the agency utilizes a wide variety of scientific skills to deal with the many types of products regulated and the many scientific decisions FDA must make. These skills range from field investigators, all of whom must have education in the physical or biological sciences, to chemists, microbiologists, engineers, medical officers, and scientists from many other disciplines. Similarly, FDA utilizes a variety of laboratory facilities, both to test products for safety and to conduct the research necessary to evaluate health hazards and to develop the means to detect product hazards and prevent them.

In addition, the National Center for Toxicological Research in Jefferson, AR, serves as a specialized resource for FDA's other program elements by advancing the science of toxicology. This facility

conducts research to improve the base of scientific knowledge on which the agency makes decisions in assessing the risks of potentially toxic substances.

SALARIES AND EXPENSES

Appropriations, 1990.....	\$567,079,000
Budget estimate, 1991.....	497,633,000
House allowance.....	654,808,000
Committee recommendation.....	661,652,000

COMMITTEE RECOMMENDATIONS

For salaries and expenses, the Committee recommends \$661,652,000. This amount is \$94,573,000 more than the 1990 amount, \$164,019,000 more than the budget estimate, and \$6,844,000 more than the House level.

The Committee rejects the administration's proposal to fund the Food and Drug Administration salaries and expenses of \$157,175,000 through user fees, noting that no authorization has been provided by Congress for user fees, and that the administration's proposal assumes unrealistic collections that would be inadequate to operate the agency. The Committee does not concur with the House in holding in reserve the amount of \$157,175,000 subject to an official budget request, because it does not want to jeopardize vital food, drug and device reviews, and inspections pending a budget request by the administration. The Committee directs that future budget proposals be based on current law.

The Committee recognizes the acute needs of FDA in meeting ever-burgeoning demands of its regulatory and enforcement missions required by law. FDA serves as a vital lynch-pin in approval of new food and health technologies, as well as the protector of public health through monitoring, inspection, and research analysis on a myriad of consumer and health products. Recognizing the critical and often life-threatening demands on FDA, the Committee provides an increase of \$6,844,000 above the House recommended level for review, approval, and inspection of foods; human and animal drugs, including orphan drugs; biotechnology-based products; devices; and diagnostics, especially protection of the Nation's blood supply.

The Committee concurs with the budget request and the House in providing \$63,236,000 for acquired immune deficiency [AIDS] related activities and urges FDA to increase its activities on compassionate use approvals of AIDS-related therapies.

The Committee expects FDA to continue ongoing scientific analyses and review of pesticide residues in foods under current programs and contracts. FDA activities will be coordinated with the Department of Agriculture and the Environmental Protection Agency to ensure the maximum results of a comprehensive food safety initiative.

The Committee approves an increase proposed in the budget of \$14,075,000 for seafood inspection and does not concur with the House in limiting the increase to \$5,000,000.

The Committee does not concur with the House recommendation that FDA establish a National Center for Food Safety and Technology at the Illinois Institute of Technology, noting the cost to FDA of \$1,800,000, exceeds the share of all other cooperative partners in the project.

The Committee urges FDA to enforce its ruling relating to the labeling of fresh pasta sauces.

In keeping with the implementation plan established for the FDA Advisory Committee, the Committee expects that increased funds will be used to meet the extraordinary infrastructure needs of the agency, including building operations, equipment, and data processing requirements in the field and at headquarters. Within the increase provided, the Committee expects food enforcement efforts in the areas of biocontamination, toxins, tampering, food labeling, and pesticides to be augmented. Enhancement of animal drug reviews are expected to address aquaculture needs. In addition, \$2,000,000 is provided for the agency contingency fund to be used for unforeseen emergencies.

In the area of biotechnology, the Committee is aware of extraordinary new demands placed on FDA for risk assessments, regulatory assistance, and standardization of Federal agency food, drug and product reviews and urges funding provided to address these areas. The Committee expects a cooperative biotechnology consortium to be initiated that will provide timely development, review, and approval of biotechnology products originating through U.S. sources.

FDA is to implement exit interviews for its employees as a means of determining future personnel management requirements. The Committee urges FDA to pursue actively efforts to retain high level scientists through more competitive career options. Additionally, the Committee encourages continuation of extramural training in regulatory review and broadening of its participation in joint National Institutes of Health and Food and Drug Administration collaborative training programs.

BUILDINGS AND FACILITIES

Appropriations, 1990	\$8,350,000
Budget estimate, 1991	4,752,000
House allowance	8,350,000
Committee recommendation.....	10,850,000

In addition to Washington area laboratories which are in nine separate locations, there are 24 lab facilities around the country, including regular field laboratories and specialized facilities, as well as the NCTR complex. Continued repairs, modifications, and improvements to FDA headquarters and field facilities must be made to preserve the properties, ensure employee safety, meet changing program requirements, and permit the agency to keep its laboratory methods up to date.

COMMITTEE RECOMMENDATIONS

For FDA buildings and facilities, the Committee recommends \$10,850,000. This amount is \$2,500,000 more than the 1990 appro-

priation, \$6,098,000 more than the budget request, and \$2,500,000 more than the House level.

For buildings and facilities, the Committee provides \$10,850,000, \$2,500,000 more than the level available in 1990 and recommended by the House, and \$6,098,000 more than the budget request.

The Committee expects FDA to continue its site planning and design for consolidation of its headquarters and undertake needed renovations. FDA will report directly to the Appropriations Committees on its completed prospectus for consolidation, including a master site plan and requirements development, by February 1991.

Noting the completion and positive results of the feasibility study for a cooperative venture in biotechnology at the National Center for Toxicological Research [NCTR], the Committee recommends \$2,500,000 for architectural and engineering plans.

The Committee does not concur with the House in providing a feasibility study for the Children's Hospital of Pittsburgh, noting that establishment of such clinical research facilities are not within the authority of FDA.

RENTAL PAYMENTS, FDA

Appropriations, 1990	\$25,612,000
Budget estimate, 1991	25,612,000
House allowance	25,612,000
Committee recommendation	25,612,000

Annual appropriations are made to agencies of the Federal Government so that they can pay the General Services Administration [GSA] fees for rental of space and for related services.

The budget estimates for rental payments are based on GSA's projection of what it will bill agencies in the budget year. The agencies have no influence or control over how GSA sets their rates. Rental payments paid by agencies go into a fund to be used for other real property management operations, such as rental of buildings, repairs and alterations, and acquisition of new facilities. The concept behind rental payments is that all agencies pay the market value of the space they occupy, so that GSA will have the funds available to provide, in an efficient and coordinated way, for overall Federal space needs. However, in practice, agencies are paying prevailing commercial rental rates in order to subsidize the inflated cost of new construction and newly leased space, and to provide entirely for vacant space in GSA's inventory.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$25,612,000 for rental payments for the Food and Drug Administration. This amount is the same as the fiscal year 1990 level, the budget estimate, and the House level.

DEPARTMENT OF THE TREASURY

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

Appropriations, 1990	\$90,000,000
Budget estimate, 1991	99,330,000
House allowance	90,000,000
Committee recommendation	90,000,000

The Agricultural Credit Act of 1987 (Public Law 100-233) authorized such sums as necessary to be appropriated to the Secretary of the Treasury for payment to the Farm Credit System Assistance Corporation. These payments reimburse the Corporation for interest expenses on U.S. guaranteed debt issued by the Corporation. Assistance Corporation debt proceeds will be used to provide assistance to financially troubled system institutions. Beginning in fiscal 1989, Treasury will annually reimburse 100 percent of the Assistance Corporation interest expense incurred between now and January 1993. Between January 1993 and the ensuing 5 years, Treasury will reimburse 50 percent of the Assistance Corporation's interest expense, with system banks paying the balance. Thereafter all Assistance Corporation interest expense will be paid by system banks.

COMMITTEE RECOMMENDATIONS

For interest expenses incurred by the Farm Credit System Financial Assistance Corporation as authorized by the Farm Credit Assistance Board, the Committee recommends \$90,000,000, \$9,330,000 less than the budget estimate, and the same as the 1990 and House levels.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Appropriations, 1990	\$39,186,000
Budget estimate, 1991	44,960,000
House allowance	39,691,000
Committee recommendation	44,960,000

The Commodity Futures Trading Commission [CFTC] was established as an independent agency by the Commodity Futures Trading Commission Act of 1974 (88 Stat. 1389; 7 U.S.C. 4a).

The Commission administers the Commodity Exchange Act, 7 U.S.C. section 1, et seq. The 1974 act brought under Federal regulation futures trading in all goods, articles, services, rights, and interests; commodity options trading; and leverage trading in gold and silver bullion and coins; and otherwise strengthened the regulation of the commodity futures trading industry. It established a comprehensive regulatory structure to oversee the volatile futures trading complex.

The purpose of the Commission is to protect and further the economic utility of futures markets by encouraging their efficiency, assuring their integrity, and protecting participants against manipulation, abusive trade practices, fraud, and deceit. The objective is to enable the markets better to serve their designated functions of

providing a price discovery mechanism and providing price risk insurance. In properly serving these functions, the futures markets contribute toward better production and financial planning, more efficient distribution and consumption, and more economical marketing.

Programs in support of the overall mission include market surveillance analysis and research; registration, audits, and contract markets; enforcement; reparations; proceedings; legal counsel; agency direction; and administrative support services. CFTC activities are carried out in Washington, DC, four regional offices located in Chicago, New York, Kansas City, and Los Angeles; and a branch office located in Minneapolis.

COMMITTEE RECOMMENDATIONS

For the Commodity Futures Trading Commission, the Committee recommends \$44,960,000, \$5,774,000 more than the amount provided in 1990, the same as the budget request and \$5,269,000 more than the House amount.

The Committee does not concur with the House in deferring appropriations pending possible congressional action relating to reauthorization and jurisdictional matters until such time as those changes are enacted.

FARM CREDIT ADMINISTRATION

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

Limitations, 1990	\$36,120,000
Budget estimate, 1991	41,548,000
House allowance	41,548,000
Committee recommendation	38,834,000

The Farm Credit Administration [FCA] is the independent agency in the executive branch of the Government responsible for the examination and regulation of the banks, associations, and other institutions of the Farm Credit System.

Activities of the Farm Credit Administration include the planning and execution of examinations of Farm Credit System institutions and the preparation of examination reports. FCA also establishes standards, enforces rules and regulations, and approves certain actions of the institutions.

The administration and the institutions under its jurisdiction now operate under authorities contained in the Farm Credit Act of 1971, Public Law 92-181, effective December 10, 1971. Public Law 99-205, effective December 23, 1985, restructured FCA and gave the agency regulatory authorities and enforcement powers.

The act provides for the farmer-owned cooperative system to make sound, adequate, and constructive credit available to farmers and ranchers and their cooperatives, rural residences, and associations and other entities upon which farming operations are dependent, and to modernize existing farm credit law to meet current and future rural credit needs.

The Agricultural Credit Act of 1987 authorizes the formation of the Federal Agricultural Mortgage Corporation [FAMC] to operate a secondary market for agricultural and rural housing mortgages.

The Farm Credit Administration, under section 8.11 of the Farm Credit Act of 1971, as amended, is assigned the responsibility of regulating this new entity and assuring its safe and sound operation.

Expenses of the Farm Credit Administration are paid by assessments collected from the banks of the Farm Credit System, and by assessments to the Federal Agricultural Mortgage Corporation.

COMMITTEE RECOMMENDATIONS

For the limitation on administrative expenses of the Farm Credit Administration, the Committee recommends \$38,834,000. This amount is \$2,714,000 more than the limitation in 1990, and \$2,714,000 less than the budget estimate and the House level.

FCA examines and regulates both the institutions of the farm credit system as well as the Federal Agricultural Mortgage Corporation (Farmer Mac). The Farm Credit Act of 1971 requires FCA to determine the costs of carrying out its functions and to determine and assess separately the costs associated with examining and regulating the institutions of the system and Farmer Mac. Last year, the Committee directed FCA to allocate expenses fully between efforts associated with Farmer Mac and those associated with the banks and associations of the farm credit system and that the budget justification material contain this information. FCA has not complied with this direction and has failed to assess Farmer Mac even though the Agency has incurred costs associated with Farmer Mac.

Bill language recommended by the Committee addresses this matter directly. It establishes a separate ceiling of \$37,926,000 for the assessments of the system and a separate ceiling of \$908,000 for the assessments of Farmer Mac consistent with the requirement of the Farm Credit Act. The action of the Committee makes clear that the assessment of the system banks and associations is not to be used to cover FCA costs associated with Farmer Mac. The Committee will expect the FCA budget to identify these costs, including overhead, separately, and with specificity, in the future.

FCA is directed to provide system lenders with a description of FCA's borrower review process. FCA should require system lenders to provide notice to their borrowers of their right to this review process for a hearing of adverse action taken against them by system lenders.

FARM CREDIT SYSTEM ASSISTANCE BOARD

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 1990	\$2,206,000
Budget estimate, 1991	2,184,000
House allowance	2,017,000
Committee recommendation	2,017,000

The Assistance Board was created by the Agricultural Credit Act of 1987 (Public Law 100-233) and was federally chartered in January 1988. Its members consist of the Secretaries of Treasury and Agriculture, and one other member appointed by the President with the consent of the Senate. The purposes of the Assistance

Board are to authorize financial assistance to system banks, protect the stock of borrowers, and permit system banks to offer credit at competitive terms. If authorized, a system bank would issue preferred stock which would be purchased by the Farm Credit System Assistance Corporation, a new FCS institution also created by the 1987 Farm Credit Act.

The Assistance Board is also empowered to prescribe business operating plans and issue regulations to banks for whom assistance is authorized. Its authority will end December 31, 1992. Administrative costs of the Board will be paid by the Farm Credit System Financial Assistance Corporation.

COMMITTEE RECOMMENDATIONS

For a limitation on administrative expenses for the Farm Credit System Assistance Board, the Committee recommends \$2,017,000. This amount is \$189,000 less than the 1990 limitation, \$167,000 less than the budget request, and the same as the House recommendation.

TITLE VI—GENERAL PROVISIONS

Sections 601-632 of the general provisions contained in the accompanying bill are essentially the same as those included in previous appropriations bills and in the House bill.

The Committee does not concur with the House in limiting the Targeted Export Assistance Program to \$200,000,000 and has stricken section 633.

The Committee does not concur with the House in limiting the Export Enhancement Program [EEP] and has stricken section 634 of the House bill which restricted the authority of the Department to carry out an export enhancement program if the aggregate amount of funds and/or commodities under such program exceeds \$500,000,000.

The Committee concurs with section 635 of the House bill by including language providing that none of the funds in the act shall be used to regulate the order or sequence of advances of funds to REA borrowers.

The Committee concurs with House section 636 directing that section 32 funds be used to purchase sunflower and cottonseed oil. The Committee does not set a specific amount since sufficient funds were provided in the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990, and are available for 1991.

The Committee concurs with House sections 637 and 638 regarding pay raises and Federal funds. They are identical to provisions included in the 1990 appropriations act.

The Committee concurs with House section 639 limiting indirect costs on competitively awarded research grants to 14 percent.

The Committee concurs with section 640 of the House bill providing that funds available to the Animal and Plant Health Inspection Service may be used for contracting with individuals for services to be performed outside the United States to carry out programs and activities abroad.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 1991, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) or the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119), the following information provides the definition of the term "program, project, and activity" for departments and agencies under the jurisdiction of the Rural Development, Agriculture, and Related Agencies bill. The term "program, project, and activity" shall include the most specific level of budget items identified in the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991, the House and Senate Committee reports, and the conference report and accompanying

joint explanatory statement of the managers of the committee of conference.

If a sequestration order is necessary, in implementing the Presidential order, departments and agencies shall apply any percentage reduction required for fiscal year 1991 pursuant to the provisions of Public Law 99-177 or Public Law 100-119 to all items specified in the explanatory notes submitted to the Committees on Appropriations of the House and Senate in support of the fiscal year 1991 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition:

For the Agricultural Research Service the definition shall include specific research locations as identified in the explanatory notes and lines of research specifically identified in the reports of the House and Senate Appropriations Committees.

For the Soil Conservation Service the definition shall include individual flood prevention projects as identified in the explanatory notes and individual operational watershed projects as summarized in the notes.

For the Farmers Home Administration the definition shall include individual State, district, and county offices.

For the Agricultural Stabilization and Conservation Service the definition shall include individual State and county offices.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports accompanying general appropriations bills identify each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

The Committee recommends the following amendments in compliance with this rule providing amounts for programs whose authorization expires as of September 30, 1990.

1. \$800,000 for grants under the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178).
2. \$974,220,000 for the Nutrition Assistance Program in Puerto Rico (7 U.S.C. 2028).
3. \$4,000,000 for State mediation programs (7 U.S.C. 5101-5106).
4. \$1,418,000 for supplemental and alternative crops and products under the National Agricultural Research, Extension, and Policy Act (7 U.S.C. 3319d).
5. \$7,500,000 for higher education grants under section 1417(d) of Public Law 95-113, as amended (7 U.S.C. 3152(a)).
6. \$56,811,000 for contracts and grants for agricultural research under the act of August 4, 1965, as amended (7 U.S.C. 450i).
7. \$161,260,000 to carry out agricultural research at State experiment stations under the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended by Public Law 99-198: Section 1463(b) (7 U.S.C. 3311(b)).

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

The Committee recommends no such provision.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991

[Amounts in dollars]

Senate committee recommendation compared with (+ or -)							
Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom- mendation (5)	1990 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I - AGRICULTURAL PROGRAMS							
Production, Processing and Marketing							
Office of the Secretary.....	1,766,000	1,943,000	1,943,000	1,943,000	+177,000	---	---
Farm and export programs plan.....	395,000	---	---	---	-395,000	---	---
Compilation of methods used by foreign countries to protect their domestic agriculture.....	395,000	---	---	---	---	---	---
Office of the Deputy Secretary.....	392,000	477,000	477,000	477,000	-395,000	---	---
Office of Budget and Program Analysis.....	4,522,000	4,971,000	4,971,000	4,971,000	+85,000	---	---
Office of the Assistant Secretary for Administration.....	464,000	544,000	544,000	544,000	+449,000	---	---
Rental payments (USDA).....	49,307,000	49,305,000	49,305,000	49,305,000	+80,000	---	---
Building operations and maintenance.....	22,990,000	25,093,000	25,093,000	25,093,000	-2,000	---	---
Advisory committees (USDA).....	1,494,000	1,407,000	1,407,000	1,407,000	+2,103,000	---	---
Hazardous waste management.....	19,927,000	29,586,000	24,757,000	1,407,000	-87,000	---	---
Departmental administration.....	22,022,000	23,355,000	23,052,000	23,052,000	+4,830,000	-4,829,000	---
Working Capital Fund.....	---	3,750,000	3,750,000	3,750,000	+1,030,000	-303,000	---
Office of the Assistant Secretary for Congressional Relations.....	951,000	1,095,000	1,095,000	1,095,000	+3,750,000	---	---
Office of Public Affairs.....	7,964,000	8,442,000	8,442,000	8,442,000	+478,000	---	---
Intergovernmental affairs.....	479,000	440,000	440,000	440,000	-39,000	---	---
Total, Office of Public Affairs.....	8,443,000	8,882,000	8,882,000	8,882,000	+439,000	---	---
Office of the Inspector General.....	51,779,000	60,452,000	55,580,000	55,580,000	+3,801,000	-4,872,000	---
Office of the General Counsel.....	21,525,000	23,517,000	23,130,000	23,130,000	+1,605,000	-387,000	---
Office of the Assistant Secretary for Economics.....	448,000	529,000	529,000	529,000	+81,000	---	---
Economic Research Service.....	50,589,000	56,282,000	54,400,000	54,400,000	+3,811,000	-1,862,000	---
National Agricultural Statistics Service.....	66,976,000	81,151,000	76,451,000	76,451,000	+9,475,000	-4,700,000	---
World Agricultural Outlook Board.....	1,910,000	2,404,000	2,196,000	2,196,000	+286,000	---	---
Office of the Assistant Secretary for Science and Education.....	432,000	512,000	512,000	512,000	+80,000	---	---
Agricultural Research Service.....	584,174,000	621,510,000	631,208,000	612,495,000	+28,321,000	-9,015,000	-18,713,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued**

[Amounts in dollars]

(1)	(2)	(3)	(4)	(5)	Senate committee recommendation compared with (+ or -)		
					1990 appropriation	Budget estimate	House allowance
Item					(6)	(7)	(8)
Special fund.....	1,972,000	2,000,000	2,500,000	2,500,000	+328,000	+500,000	---
Buildings and facilities.....	10,675,000	32,600,000	26,039,000	65,122,000	+54,447,000	+32,522,000	+39,083,000
Total, Agricultural Research Service.....	596,821,000	656,110,000	659,747,000	680,117,000	+83,296,000	+24,007,000	+20,370,000
Cooperative State Research Service.....	337,668,000	346,893,000	373,076,000	379,966,000	+42,298,000	+33,073,000	+6,890,000
Buildings and facilities.....	45,108,000	---	45,361,000	67,758,000	+22,650,000	+67,758,000	+22,397,000
Extension Service.....	369,180,000	345,676,000	393,877,000	395,477,000	+26,297,000	+49,801,000	+1,400,000
National Agricultural Library.....	14,676,000	15,773,000	16,373,000	16,423,000	+1,747,000	+650,000	+50,000
Office of the Assistant Secretary for Marketing and Inspection Services.....	422,000	497,000	497,000	497,000	+75,000	---	---
Animal and Plant Health Inspection Service:							
Salaries and expenses.....	355,346,000	367,950,000	380,266,000	381,120,000	+25,754,000	+13,170,000	+854,000
Buildings and facilities.....	13,385,000	24,682,000	21,396,000	25,396,000	+12,011,000	+714,000	+6,000,000
Total, Animal & Plant Health Inspection Service.....	368,731,000	392,632,000	401,662,000	406,516,000	+37,765,000	+13,884,000	+4,854,000
Food Safety and Inspection Service.....	421,298,000	440,882,000	440,882,000	440,882,000	+19,584,000	---	---
Federal Grain Inspection Service.....	8,185,000	10,443,000	9,706,000	9,706,000	+1,521,000	-737,000	---
Inspection and Weighing Services (limitation on administrative expenses, from fees collected).....	36,340,000	(37,164,000)	(37,164,000)	(37,164,000)	(+824,000)	---	---
Agricultural Cooperative Service.....	4,714,000	4,764,000	4,864,000	4,864,000	+150,000	+100,000	---
Agricultural Marketing Service:							
Marketing Services.....	33,171,000	52,251,000	47,914,000	47,914,000	+14,743,000	-4,337,000	---
(Limitation on administrative expenses, from fees collected).....	(37,440,000)	(40,162,000)	(40,162,000)	(40,162,000)	(+2,722,000)	---	---
Funds for strengthening markets, income, and supply (transfer from section 32).....	8,007,000	8,526,000	8,255,000	8,255,000	+248,000	-271,000	---
Sunflower and cottonseed oil export program.....	(30,000,000)	---	---	---	(-30,000,000)	---	---
Payments to States and possessions.....	1,236,000	942,000	1,250,000	1,250,000	+14,000	+308,000	---
Total, Agricultural Marketing Service.....	42,414,000	61,719,000	57,419,000	57,419,000	+15,005,000	-4,300,000	---

Office of Transportation.....	2,397,000	2,429,000	2,429,000	2,429,000	+32,000	---
Packers and Stockyards Administration.....	9,562,000	10,687,000	10,687,000	10,687,000	+1,125,000	---
Total, Production, Processing and Marketing.....	2,547,923,000	2,663,740,000	2,774,654,000	2,830,815,000	+282,892,000	+167,075,000
Farm Income Stabilization						
Office of the Under Secretary for International Affairs and Commodity Programs.....	414,000	506,000	506,000	506,000	+92,000	---
Agricultural Stabilization and Conservation Service: (By transfer from Commodity Credit Corporation)...	(623,732,000)	(630,406,000)	(630,406,000)	(630,406,000)	(+6,674,000)	---
Salaries and expenses.....	11,000,000	---	---	---	-11,000,000	---
Deity indemnity program.....	5,000	---	5,000	5,000	---	+5,000
Total, Farm Income Stabilization.....	(635,151,000)	(630,912,000)	(630,917,000)	(630,917,000)	(-4,234,000)	(+5,000)
CORPORATIONS						
Federal Crop Insurance Corporation:						
Administrative and operating expenses.....	237,694,000	325,857,000	101,579,000	325,857,000	+88,163,000	---
Federal crop insurance corporation fund.....	162,939,000	337,365,000	162,939,000	337,365,000	+174,426,000	+224,278,000
Total, Federal Crop Insurance Corporation.....	400,633,000	663,222,000	264,518,000	663,222,000	+262,589,000	+174,426,000
Commodity Credit Corporation:						
Reimbursement for net realized losses.....	4,233,000,000	6,100,000,000	5,000,000,000	5,000,000,000	+767,000,000	---
Short-term export credit (loan authorization).....	(5,000,000,000)	(5,000,000,000)	(5,000,000,000)	(5,000,000,000)	---	---
Intermediate export credit (loan authorization).....	(500,000,000)	(500,000,000)	(500,000,000)	(500,000,000)	---	---
General Sales Manager (transfer from Commodity Credit Corporation).....	(7,415,000)	(8,090,000)	(7,803,000)	(7,803,000)	(+388,000)	(-287,000)
Total, Corporations:						
New budget (obligational) authority.....	4,633,633,000	6,763,222,000	5,264,518,000	5,663,222,000	+1,029,589,000	+398,704,000
(By transfer).....	(7,415,000)	(8,090,000)	(7,803,000)	(7,803,000)	(+388,000)	---
(Loan authorization).....	(5,500,000,000)	(5,500,000,000)	(5,500,000,000)	(5,500,000,000)	---	---
Total, title I, Agricultural Programs:						
New budget (obligational) authority.....	7,192,975,000	9,427,468,000	8,039,683,000	8,494,548,000	+1,301,573,000	+454,865,000
(By transfer).....	(661,147,000)	(638,496,000)	(638,209,000)	(638,209,000)	(-22,938,000)	---
(Limitation on administrative expenses).....	(73,780,000)	(77,326,000)	(77,326,000)	(77,326,000)	---	---
(Loan authorization).....	(5,500,000,000)	(5,500,000,000)	(5,500,000,000)	(5,500,000,000)	(+3,546,000)	---
TITLE II - RURAL DEVELOPMENT PROGRAMS						
Rural Development Assistance						
Office of the Under Secretary for Small Community and Rural Development.....	419,000	660,000	530,000	530,000	+111,000	-130,000
Farmers Home Administration:						
Rural Housing Insurance Fund:						
Low-income housing (sec. 502).....	(1,261,496,000)	(589,000,000)	(1,262,210,000)	(1,190,693,000)	(-70,803,000)	(+601,693,000)
Unsubsidized direct.....	(49,308,000)	(20,000,000)	(50,000,000)	(50,000,000)	(+692,000)	(-71,517,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued**

[Amounts in dollars]

Senate committee recommendation compared with (+ or -)							
Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom- mendation (5)	1990 appropriation (6)	Budget estimate (7)	House allowance (8)
Unsubsidized guaranteed.....	---	(297,000,000)	---	---	(+100,000,000)	(-297,000,000)	---
Subsidized guaranteed.....	---	(297,000,000)	(100,000,000)	(100,000,000)	(+100,000,000)	(-297,000,000)	---
Housing repair (sec. 504).....	(11,173,000)	(11,100,000)	(11,330,000)	(11,330,000)	(+157,000)	(+230,000)	---
Farm labor (sec. 514).....	(11,321,000)	(16,250,000)	(16,300,000)	(16,300,000)	(+4,979,000)	(+50,000)	---
Rental housing (sec. 515).....	(571,870,000)	(391,000,000)	(573,900,000)	(573,900,000)	(+2,030,000)	(+182,900,000)	---
Site loans (loan authorization).....	(562,000)	---	(600,000)	(600,000)	(+38,000)	(+600,000)	---
Subtotal (loan authorization).....	(1,905,730,000)	(1,621,350,000)	(2,014,340,000)	(1,942,823,000)	(+37,093,000)	(+321,473,000)	(-71,517,000)
Collection and servicing contracts (limitation on obligations).....	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---	---	---
Rent supplement.....	296,317,000	258,000,000	308,100,000	308,100,000	+11,783,000	+50,100,000	+500,000,000
Reimbursement for interest and other losses.....	2,677,897,000	2,667,186,000	2,167,186,000	2,667,186,000	-10,711,000	-362,460,000	---
Interest subsidy for guaranteed loans.....	---	362,460,000	---	---	---	---	---
Total, Rural Housing Insurance Fund: New budget (obligational) authority.....	2,974,214,000	3,287,646,000	2,475,286,000	2,975,286,000	+1,072,000	-312,360,000	+500,000,000
(Loan authorization).....	(1,905,730,000)	(1,621,350,000)	(2,014,340,000)	(1,942,823,000)	(+37,093,000)	(+321,473,000)	(-71,517,000)
(Limitation on obligations).....	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---	---	---
Self-help Housing Land Development Fund (loan authorization).....	(500,000)	---	(500,000)	(500,000)	---	(+500,000)	---
Agricultural Credit Insurance Fund: Farm ownership loans (loan authorization): Insured.....	(80,000,000)	(25,000,000)	(66,500,000)	---	(-80,000,000)	(-25,000,000)	(-66,500,000)
Advance appropriation, FY 1991.....	(469,279,000)	(13,500,000)	(13,500,000)	(13,500,000)	(+13,500,000)	(+392,000,000)	(+66,500,000)
Guaranteed.....	---	(150,000,000)	(475,500,000)	(542,000,000)	(+72,721,000)	(+392,000,000)	(+66,500,000)
Total, farm ownership loans (loan authorization).....	(549,279,000)	(175,000,000)	(542,000,000)	(542,000,000)	(-7,279,000)	(+367,000,000)	---
Soil and water loans (loan authorization): Insured.....	(5,500,000)	---	(5,500,000)	(5,500,000)	---	(+5,500,000)	---
Guaranteed.....	(1,480,000)	---	(1,500,000)	(1,500,000)	(+20,000)	(+1,500,000)	---
Total, soil and water loans (loan authorization).....	(6,980,000)	---	(7,000,000)	(7,000,000)	(+20,000)	(+7,000,000)	---

Operating loans (loan authorization):									
Insured.....	(900,000,000)	(500,000,000)	(950,000,000)	(850,000,000)	(-50,000,000)	(+350,000,000)	(-100,000,000)	---	---
Guaranteed.....	(2,565,985,000)	(2,600,000,000)	(2,600,000,000)	(2,600,000,000)	(-34,015,000)	---	---	---	---
Total, operating loans (loan authorization).....									
Indian tribe land acquisition loans (loan authorization).....	(3,465,985,000)	(3,100,000,000)	(3,550,000,000)	(3,450,000,000)	(-15,985,000)	(+350,000,000)	(-100,000,000)	---	---
Emergency disaster loans (loan authorization).....	(1,000,000)	---	(1,000,000)	(1,000,000)	---	(+1,000,000)	---	---	---
Watershed and flood prevention (loan authorization).....	(579,136,000)	(25,000,000)	(600,000,000)	(600,000,000)	(+20,864,000)	(+575,000,000)	---	---	---
Resource conservation loans (loan authorization).....	(4,000,000)	---	(4,000,000)	(4,000,000)	---	(+4,000,000)	---	---	---
State mediation program.....	(600,000)	---	(600,000)	(600,000)	---	(+600,000)	---	---	---
Reimbursement for interest and other losses.....	3,436,000	2,000,000	3,500,000	4,000,000	+544,000	+2,000,000	+500,000	---	---
Interest subsidy for guaranteed loans.....	4,120,159,000	6,014,356,000	5,620,159,000	6,014,356,000	+1,894,197,000	---	+394,197,000	---	---
Total, Agricultural Credit Insurance Fund:									
New budget (obligational) authority.....	4,123,615,000	6,049,583,000	5,623,659,000	6,018,356,000	+1,894,741,000	-31,227,000	+394,697,000	---	---
(Loan authorization).....	(4,606,980,000)	(3,300,000,000)	(4,704,600,000)	(4,604,600,000)	(-2,380,000)	(+1,304,600,000)	(-100,000,000)	---	---
Rural Development Insurance Fund:									
Water and sewer facility loans (loan authorization):									
Direct.....	(350,293,000)	(300,000,000)	(500,000,000)	(500,000,000)	(+149,707,000)	(+200,000,000)	---	---	---
Guaranteed.....	(74,465,000)	(50,000,000)	(35,000,000)	(35,000,000)	(-39,465,000)	(-15,000,000)	---	---	---
Total, water and sewer facility loans (loan authorization).....									
Industrial development loans (loan authorization):									
Guaranteed.....	(424,758,000)	(350,000,000)	(535,000,000)	(535,000,000)	(+110,242,000)	(+185,000,000)	---	---	---
Total, water and sewer facility loans (loan authorization).....									
Community facility loans (loan authorization):									
Direct.....	(94,381,000)	(45,700,000)	(100,000,000)	(100,000,000)	(+5,619,000)	(+54,300,000)	---	---	---
Guaranteed.....	(23,829,000)	(50,000,000)	(25,000,000)	(25,000,000)	(+1,171,000)	(-25,000,000)	---	---	---
Total, community facility loans (loan authorization).....									
Reimbursement for interest and other losses.....	(118,210,000)	(95,700,000)	(125,000,000)	(125,000,000)	(+6,790,000)	(+29,300,000)	---	---	---
Total, Rural Development Insurance Fund:									
New budget (obligational) authority.....	1,474,499,000	1,666,160,000	1,466,160,000	1,666,160,000	+191,661,000	(+314,300,000)	+200,000,000	---	---
(Loan authorization).....	(637,986,000)	(445,700,000)	(760,000,000)	(760,000,000)	(+122,014,000)	---	---	---	---
Rural Development Loan Fund:									
(Loan authorization).....	(19,297,000)	(30,000,000)	(25,000,000)	(40,000,000)	(+20,703,000)	(+10,000,000)	(+15,000,000)	---	---
Appropriation.....	17,318,000	28,000,000	23,000,000	38,000,000	+20,692,000	+10,000,000	+15,000,000	---	---
Rural water and waste disposal grants.....	207,700,000	100,000,000	300,000,000	300,000,000	+92,300,000	+200,000,000	+200,000,000	---	---
Very low-income housing repair grants.....	12,500,000	10,000,000	12,500,000	12,500,000	---	+2,500,000	---	---	---
Rural housing for domestic farm labor.....	10,862,000	10,000,000	11,000,000	11,000,000	+138,000	+1,000,000	---	---	---
Mutual and self-help housing.....	8,634,000	---	8,750,000	8,750,000	+116,000	+8,750,000	---	---	---

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued**

[Amounts in dollars]

Item (1)	Senate committee recommendation compared with (+ or -)						
	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom- mendation (5)	1990 appropriation (6)	Budget estimate (7)	House allowance (8)
Rural community fire protection grants.....	3,091,000	---	3,500,000	3,500,000	+409,000	+3,500,000	---
Compensation for construction defects.....	500,000	---	500,000	500,000	---	+500,000	---
Rural rental assistance payments (voucher program).....	---	189,928,000	---	---	---	-189,928,000	---
Rural housing preservation grants.....	19,140,000	15,000,000	23,000,000	23,000,000	+3,860,000	+8,000,000	---
Rural development grants.....	16,406,000	---	16,500,000	25,000,000	+8,594,000	+25,000,000	+8,500,000
Solid waste management grants.....	---	---	---	3,000,000	+3,000,000	+3,000,000	+3,000,000
Emergency community water assistance grants.....	---	---	---	20,000,000	+20,000,000	+20,000,000	+20,000,000
Office of the Administrator.....	600,000	---	600,000	600,000	---	+600,000	---
Salaries and expenses.....	422,934,000	447,787,000	439,854,000	439,854,000	+16,920,000	-7,933,000	---
(Transfer from loan accounts).....	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	---	---	---
Total, salaries and expenses.....	(426,934,000)	(451,787,000)	(443,854,000)	(443,854,000)	(+16,920,000)	(-7,933,000)	-----
Total, Farmers Home Administration:	-----	-----	-----	-----	-----	-----	-----
New budget (obligational) authority.....	9,292,013,000	11,804,104,000	10,404,309,000	11,545,506,000	+2,253,493,000	-258,598,000	+1,141,197,000
(By transfer).....	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	---	---	---
(Loan authorization).....	(7,170,493,000)	(5,397,050,000)	(7,504,440,000)	(7,347,923,000)	(+177,430,000)	(+1,950,873,000)	(-156,517,000)
(Limitation on obligations).....	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---	---	-----
Rural Electrification Administration:	-----	-----	-----	-----	-----	-----	-----
Rural electrification & telephone revolving fund:	-----	-----	-----	-----	-----	-----	-----
Insured loans:	-----	-----	-----	-----	-----	-----	-----
Electric.....	(622,050,000)	(200,000,000)	(622,050,000)	(760,050,000)	(+138,000,000)	(+560,050,000)	(+138,000,000)
Telephone.....	(239,250,000)	---	(239,250,000)	(239,250,000)	---	(+239,250,000)	-----
Total, insured loans (loan authorization).....	(861,300,000)	(200,000,000)	(861,300,000)	(999,300,000)	(+138,000,000)	(+799,300,000)	(+138,000,000)
Guaranteed loans:	-----	-----	-----	-----	-----	-----	-----
Electric.....	(813,450,000)	---	(813,450,000)	(813,450,000)	---	(+813,450,000)	-----
Telephone.....	(119,625,000)	---	(119,625,000)	(119,625,000)	---	(+119,625,000)	-----
Total, guaranteed loans (loan authorization).....	(933,075,000)	---	(933,075,000)	(933,075,000)	---	(+933,075,000)	-----
Reimbursement to the rural electrification and telephone revolving fund.....	240,757,000	---	266,603,000	266,603,000	+25,846,000	+266,603,000	-----

Total, Rural electrification and telephone revolving fund:									
New budget (obligational) authority.....	240,757,000	---	266,603,000	266,603,000	---	+25,846,000	+266,603,000	---	---
(Loan authorization).....	(1,794,375,000)	(200,000,000)	(1,794,375,000)	(1,932,375,000)	(1,932,375,000)	(+138,000,000)	(+1,732,375,000)	(+138,000,000)	---
Rural telephone bank.....									
Direct loans (limitation on obligations).....	28,710,000	---	28,710,000	28,710,000	---	---	+28,710,000	---	---
Rural communication development fund.....	(177,045,000)	(103,560,000)	(177,045,000)	(177,045,000)	---	---	(+73,485,000)	---	---
Rural economic development subaccount.....	1,329,000	1,264,000	1,264,000	1,264,000	---	-65,000	---	---	---
Office of the Administrator.....	4,992,000	---	5,000,000	5,000,000	---	+8,000	+5,000,000	---	---
Salaries and expenses.....	194,000	---	229,000	229,000	---	+35,000	+229,000	---	---
	31,124,000	33,055,000	32,826,000	32,826,000	---	+1,702,000	-229,000	---	---
Total, Rural Electrification Administration:									
New budget (obligational) authority.....	307,106,000	34,319,000	334,632,000	334,632,000	---	+27,526,000	+300,313,000	---	---
(Loan authorization).....	(1,774,375,000)	(200,000,000)	(1,774,375,000)	(1,932,375,000)	(1,932,375,000)	(+138,000,000)	(+1,732,375,000)	(+138,000,000)	---
(Limitation on obligations).....	(177,045,000)	(103,560,000)	(177,045,000)	(177,045,000)	---	---	(+73,485,000)	---	---
Total, Rural Development Assistance:									
New budget (obligational) authority.....	9,599,538,000	11,839,083,000	10,739,471,000	11,880,668,000	---	+2,281,130,000	+41,585,000	+1,141,197,000	---
(By transfer).....	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	---	---	---	---	---
(Loan authorization).....	(8,964,868,000)	(4,597,050,000)	(9,298,815,000)	(9,280,298,000)	---	(+315,430,000)	(+3,683,248,000)	(-18,517,000)	---
(Limitation on obligations).....	(187,045,000)	(113,560,000)	(187,045,000)	(187,045,000)	---	---	(+73,485,000)	---	---
Conservation									
Office of the Assistant Secretary for Natural Resources and Environment.....									
	439,000	538,000	520,000	520,000	---	+81,000	-18,000	---	---
Soil Conservation Service:									
Conservation operations.....	476,949,000	506,998,000	509,056,000	509,056,000	---	+32,107,000	+2,058,000	---	---
River basin surveys and investigations.....	12,292,000	10,351,000	12,783,000	12,783,000	---	+491,000	+2,432,000	---	---
Watershed planning.....	8,824,000	6,875,000	9,176,000	9,176,000	---	+352,000	+2,301,000	---	---
Watershed and flood prevention operations.....	239,867,000	151,112,000	191,544,000	179,867,000	---	-60,000,000	+28,755,000	-11,677,000	---
Resource conservation and development.....	27,255,000	23,974,000	29,900,000	29,900,000	---	+2,645,000	+5,926,000	---	---
Great Plains conservation program.....	20,884,000	24,637,000	24,637,000	24,637,000	---	+3,753,000	---	---	---
Total, Soil Conservation Service.....	786,071,000	723,947,000	777,096,000	765,419,000	---	-20,652,000	+41,472,000	-11,677,000	---
Agricultural Stabilization and Conservation Service:									
Agricultural conservation program.....	182,369,000	176,000,000	197,935,000	182,369,000	---	---	+6,369,000	-15,566,000	---
Forestry incentives program.....	12,446,000	12,446,000	12,446,000	12,446,000	---	---	---	---	---
Water bank program.....	12,240,000	10,498,000	10,498,000	15,000,000	---	+2,760,000	+4,502,000	+4,502,000	---
Emergency conservation program.....	29,927,000	---	10,000,000	10,000,000	---	-19,927,000	+10,000,000	---	---
Colorado River Basin salinity control program.....	10,341,000	14,783,000	14,783,000	14,783,000	---	---	+4,442,000	---	---
Conservation reserve program.....	1,010,978,000	1,876,038,000	1,314,926,000	1,314,926,000	---	+303,948,000	-563,112,000	---	---
Total, Agricultural Stabilization and Conservation Service.....	1,258,301,000	2,091,765,000	1,560,588,000	1,549,524,000	---	+291,223,000	-542,241,000	-11,064,000	---
Total, Conservation.....	2,044,811,000	2,816,250,000	2,338,204,000	2,315,463,000	---	+270,652,000	-500,787,000	-22,741,000	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued

[Amounts in dollars]

Item (1)	Senate committee recommendation compared with (+ or -)						
	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	1990 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE III - DOMESTIC FOOD PROGRAMS							
Office of the Assistant Secretary for Food and Consumer Services.....							
Food and Nutrition Service:							
Child nutrition programs.....	730,882,000	880,698,000	569,038,000	880,698,000	+149,816,000	---	+211,660,000
Transfer from section 32.....	4,156,554,000	4,696,501,000	4,696,501,000	4,696,501,000	+539,947,000	---	---
Total, Child nutrition programs.....	4,887,436,000	5,577,199,000	5,265,539,000	5,577,199,000	+689,763,000	---	+311,660,000
Special milk program.....							
Special supplemental food program for women, infants, and children (WIC).....	2,125,958,000	2,215,248,000	2,325,000,000	2,350,000,000	+224,042,000	+134,752,000	+25,000,000
WIC reserve.....	---	---	25,000,000	---	---	---	---
Commodity supplemental food program 2/.....	68,128,000	62,932,000	81,928,000	81,928,000	+13,800,000	+18,996,000	---
Food stamp program:							
Expenses.....	14,769,589,000	17,753,168,000	15,976,681,000	17,253,168,000	+2,483,579,000	-500,000,000	+1,276,487,000
Subject to budget request.....	1,200,000,000	---	2,100,000,000	823,513,000	-376,487,000	+823,513,000	-1,276,487,000
Nutrition assistance for Puerto Rico 1/.....	936,750,000	825,000,000	962,125,000	974,220,000	+37,470,000	+169,220,000	+12,095,000
Total, Food stamp program.....	16,906,339,000	18,578,168,000	19,038,806,000	19,050,901,000	+2,144,562,000	+472,733,000	+12,095,000
Food donations programs for selected groups:							
Needy family program 2/.....	60,140,000	74,841,000	78,241,000	78,241,000	+18,101,000	+3,400,000	---
Elderly feeding program 2/.....	143,482,000	149,897,000	149,897,000	149,897,000	+6,415,000	---	---
Subtotal.....	203,622,000	224,738,000	228,138,000	228,138,000	+24,516,000	+3,400,000	---
Soup kitchens.....	39,440,000	32,000,000	32,000,000	32,000,000	-7,440,000	---	---
Total, Food donations programs.....	243,062,000	256,738,000	260,138,000	260,138,000	+17,076,000	+3,400,000	---

Temporary emergency food assistance program.....	49,822,000	50,000,000	50,000,000	+178,000	---
Commodity purchases - TEFAP.....	119,575,000	120,000,000	120,000,000	+427,000	---
Total, Temporary emergency food assistance program.....	169,395,000	170,000,000	170,000,000	+605,000	---
Food program administration.....	91,727,000	96,778,000	96,778,000	+5,051,000	---
Total, Food and Nutrition Service.....	24,512,354,000	26,976,331,000	27,282,457,000	+3,093,858,000	+323,755,000
Human Nutrition Information Service.....	9,031,000	10,705,000	9,923,000	+892,000	---
Total, title III, Domestic Food Programs, new budget (obligational) authority.....	24,521,792,000	26,987,521,000	27,292,865,000	+3,094,828,000	+323,755,000
TITLE IV - INTERNATIONAL PROGRAMS					
Foreign Agricultural Service.....	101,146,000	102,741,000	105,048,000	+3,902,000	---
Agricultural trade missions.....	197,000	---	---	-197,000	---
Ameri Flora Exposition.....	---	---	500,000	---	-500,000
Public Law 480:					
Title I and III - Credit sales:					
Program level.....	(848,963,000)	(817,000,000)	(880,000,000)	(+31,037,000)	(+63,000,000)
Direct loans.....	(778,996,000)	(752,400,000)	(806,400,000)	(+27,404,000)	(+54,000,000)
Ocean freight differential.....	(69,967,000)	(64,600,000)	(73,600,000)	(+9,000,000)	(+9,000,000)
Appropriation.....	305,622,000	251,853,000	314,853,000	+9,231,000	+63,000,000
Title II - Commodities for disposition abroad:					
Program level.....	(672,599,000)	(646,000,000)	(696,000,000)	(+23,401,000)	(+50,000,000)
Appropriation.....	672,599,000	646,000,000	696,000,000	+23,401,000	+50,000,000
Total, Public Law 480:					
Program level.....	(1,521,562,000)	(1,463,000,000)	(1,576,000,000)	(+54,438,000)	(+113,000,000)
Appropriation.....	978,221,000	897,853,000	1,010,853,000	+32,632,000	+113,000,000
Office of International Cooperation and Development... Scientific activities overseas (foreign currency program).....	6,041,000	4,893,000	5,268,000	+1,227,000	+2,375,000
	875,000	---	875,000	+375,000	+375,000
Total, title IV, International Programs, new budget (obligational) authority.....	1,086,480,000	1,005,487,000	1,122,544,000	+37,939,000	+118,932,000
					+1,875,000

- 1/ FY91 Administration proposes a new account for
Puerto Rico special assistance within HHS.
- 2/ FY91 Administration proposes to consolidate into a
single account.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET
ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued**

[Amounts in dollars]

Item (1)	Senate committee recommendation compared with (+ or -)						
	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom- mendation (5)	1990 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE V - RELATED AGENCIES							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Food and Drug Administration							
Salaries and expenses 3/.....	567,079,000	497,633,000	497,633,000	661,652,000	+94,573,000	+164,019,000	+164,019,000
Subject to budget request.....	---	---	157,175,000	---	---	---	-157,175,000
Total, salaries and expenses.....	567,079,000	497,633,000	654,808,000	661,652,000	+94,573,000	+164,019,000	+6,844,000
Buildings and facilities 3/.....	8,350,000	4,752,000	8,350,000	10,850,000	+2,500,000	+6,098,000	+2,500,000
Rental payments (FDA) 3/.....	25,612,000	25,612,000	25,612,000	25,612,000	---	---	---
Total, Food and Drug Administration.....	601,041,000	527,997,000	688,770,000	698,114,000	+97,073,000	+170,117,000	+9,344,000
DEPARTMENT OF THE TREASURY							
Financial Management Service: Payments to the farm credit system financial assistance corporation.....	90,000,000	99,330,000	90,000,000	90,000,000	---	-9,330,000	---
INDEPENDENT AGENCIES							
Commodity Futures Trading Commission.....	39,186,000	44,960,000	39,691,000	44,960,000	+5,774,000	---	+5,269,000
Farm Credit Administration (limitation on administrative expenses).....	(36,120,000)	(41,548,000)	(41,548,000)	(38,834,000)	(+2,714,000)	(-2,714,000)	(-2,714,000)
Farm Credit System Assistance Board (limitation on administrative expenses).....	(2,206,000)	(2,184,000)	(2,017,000)	(2,017,000)	(-189,000)	(-167,000)	---
Total, title V, Related Agencies: New budget (obligational) authority..... (limitation on administrative expenses).....	730,227,000 (38,326,000)	672,287,000 (43,732,000)	818,461,000 (43,565,000)	833,074,000 (40,851,000)	+102,847,000 (+2,525,000)	+160,787,000 (-2,881,000)	+14,613,000 (-2,714,000)

RECAPITULATION

Grand Total:

New budget (obligational) authority.....	45,175,823,000	52,748,096,000	50,351,228,000	52,264,792,000	+7,088,969,000	-483,304,000	+1,913,564,000
(By transfer).....	(665,147,000)	(642,496,000)	(642,209,000)	(642,209,000)	(-22,938,000)	(-287,000)	(-18,517,000)
(Loan authorization).....	(14,464,868,000)	(11,097,050,000)	(14,798,815,000)	(14,780,298,000)	(+315,430,000)	(+3,683,248,000)	(-2,716,000)
(Limitation on administrative expenses).....	(112,106,000)	(121,058,000)	(120,891,000)	(118,177,000)	(+6,071,000)	(-2,681,000)	(-2,716,000)
(Limitation on obligations).....	(187,045,000)	(113,560,000)	(187,045,000)	(187,045,000)	---	(+75,485,000)	---
Title I - Agricultural programs.....	7,192,975,000	9,427,468,000	8,039,683,000	8,494,548,000	+1,301,573,000	-932,920,000	+454,865,000
Title II - Rural development programs.....	11,644,349,000	14,655,333,000	13,077,675,000	14,196,131,000	+2,551,782,000	-659,202,000	+1,118,456,000
Title III - Domestic food programs.....	24,521,792,000	26,987,521,000	27,292,865,000	27,616,820,000	+3,094,828,000	+629,099,000	+323,755,000
Title IV - International programs.....	1,086,480,000	1,005,487,000	1,122,344,000	1,124,419,000	+37,939,000	+118,932,000	+1,875,000
Title V - Related agencies.....	750,227,000	672,287,000	818,461,000	833,074,000	+102,847,000	+160,787,000	+16,613,000
Total, new budget (obligational) authority.....	45,175,823,000	52,748,096,000	50,351,228,000	52,264,792,000	+7,088,969,000	-483,304,000	+1,913,564,000

Memoranda:

Direct and insured loan level.....	5,000,830,000
Guaranteed loan level.....	4,251,882,000
Transfers from Commodity Credit Corporation.	623,732,000

3/ FY91 Administration proposes to consolidate into a single account.